

ABSTRACT

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COMPARATIVE AND COMPETITIVE ADVANTAGES OF DRUG TRAFFICKING IN THE
SOUTHEASTERN CARIBBEAN ISLANDS: A COMPARATIVE STUDY OF TRINIDAD
AND TOBAGO AND ST.VINCENT AND THE GRENADINES

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The purpose of this study was to examine drug trafficking and the major challenges that it poses to Caribbean development, particularly the cases of St. Vincent and the Grenadines and Trinidad and Tobago. The analysis offered, expresses the specific challenges to SVG and T&T due to the proliferation of DTPOs. The study's goals were: 1) To ascertain to what extent is drug trafficking a major problem for the region, 2) To identify what are the comparative and competitive determinants of drug trafficking in the Southeastern Caribbean islands, 3) To establish to what extent does supply and demand become important to the Drug Trade in the Caribbean, and Finally, 4) the identify the implications of this research for the Greater Caribbean region. A comparative evaluation of Caribbean political economy was used in conducting this research. The primary data collection was administered through Elite interviews with policy makers and officials in the Case study

countries of Trinidad and Tobago and St. Vincent and the Grenadines. 26 interviews were conducted over a 6 month period be 2011. This study discusses the political economy of the illegal narcotics trade among the small island states of the Southeastern Caribbean. It argues that the growth of drug trafficking operations is the product of the comparative and competitive advantages that these islands' economies benefit from globally, relative to other states.

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IN THE SOUTHEASTERN CARIBBEAN ISLANDS: A COMPARATIVE STUDY
OF TRINIDAD AND TOBAGO AND ST.VINCENT AND THE GRENADINES

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BY
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LIST OF ABBREVIATIONS

ACI	Andean Counterdrug Initiative
ACCP	Assembly of Caribbean Community Parliamentarians
AI	Amnesty International
AIDS	Acquired Immunodeficiency Syndrome
AK	Avtomat Kalashnikova (Gun)
CARICOM	Caribbean Community Secretariat
CARIFTA	Caribbean Free Trade Association
CARSI	Central American Regional Security Initiative
CBSI	Caribbean Basin Security Initiative
CIA	Central Intelligence Agency (United States of America)
CEPEP	Community-based Environmental Protection and Enhancement Programme (Trinidad and Tobago)
CFATF	Caribbean Financial Action Task Force
CPI	Corruption Perception Index
CSME	CARICOM Single Market and Economy
DEA	Drug Enforcement Agency(United States of America)
DTPO	Drug Trafficking and Producing Organizations
EC	Eastern Caribbean Currency
ECCB	Eastern Caribbean Central Bank
ECCU	Eastern Caribbean Currency Union

LIST OF ABBREVIATIONS

EU	European Union
FAL	Fusil Automatique Léger (Gun)
FT	Financial Terrorism
g	Grams
GDP	Gross Domestic Product
GOTT	Government of Trinidad and Tobago
HDI	Human Development Index
HIV	Human Immunodeficiency Virus
IBC	International Business Corporation
Kg	Kilograms
LSD	Lysergic Acid Diethylamide
MNU	Movement for National Unity (St. Vincent and the Grenadines)
MSA	Model Shiprider Agreement
NAR	National Alliance for Reconstruction (Trinidad and Tobago)
NDP	New Democratic Party (St. Vincent and the Grenadines)
OPBAT	Operation Bahamas, Turks & Caicos (joint narcotics interdiction operation)
PP	People's Partnership (Trinidad and Tobago)
SAUTT	Special Anti-Crime Unit of Trinidad and Tobago
SVG	St. Vincent and the Grenadines

LIST OF ABBREVIATIONS

SVGHRA	Saint Vincent and the Grenadines Human Rights Association
SVLP	St. Vincent Labor Party
T&T	Trinidad and Tobago
T&TCG	Trinidad and Tobago Coast Guard
T&TDF	Trinidad and Tobago Defense Force
T&TPS	Trinidad and Tobago Police Service
ULP	Unity Labor Party (St. Vincent and the Grenadines)
UNODC	United Nations Office on Drugs and Crime
UNDP	United Nations Development program
U.S.	United States of America
USG	United States Government
URP	Unemployment Relief Programme (Trinidad and Tobago)
WTO	World Trade Organization

CHAPTER I

INTRODUCTION

Statement of the Problem

The illegal narcotics trade has become a serious challenge to Caribbean stability, as well as to the economic growth and development of the region. In many instances, the corruption and revenue created by this trade negatively affects the social, political and economic challenges facing these states. National reports would not or could not show a correlation of cause and effect, be it directly or indirectly between illegal drugs for profit and Caribbean government's inability to secure and sustain stabilized states. However there are statistics which do show substantial increases in larcenies, as well as felony crimes, including but not limited to kidnapping, murder, drug abuse, drug seizures and robberies during periods of proliferation of Drug Trafficking and Production Operations (DTPOs) in the Caribbean region. In this context DTPOs are organizations or conglomerates that engage in illicit drug trafficking or production in the region.

The activities associated with Caribbean DTPOs include but not limited to, money laundering cultivating ganja, trafficking cocaine, heroin, marijuana, operations, security operations (for the drug shipments) gun-running bribery etc. As it pertains to government, high levels of corruption coupled with bureaucratic stagnation have been the side effects of a region penetrated by drug trafficking operations. Economically the illicit

drug trade creates substantial revenue, to the extent that it directly competes with the state and legitimate industries for labor and resources.¹

The Caribbean Sea due to its unique location, acts as both a barrier and bridge between Europe, South and North America. Both of these functions favor the new internationalization of corruption and violence that has emerged in the global arena.² It has become increasingly easier for those exporting drugs in Caribbean states to find and connect with buyers around the world. Increases in access to a desired product will inevitably lead to production growth, in this case illegal drugs. At the end of the Cold War, the momentum of globalization catapulted crime that was once regarded as domestic to many nation states, across national boundaries and into the transnational domain.³ Transnational crime has since mutated into a complex matrix of criminal activities. Narcotics trafficking, money laundering, and illegal migration are integral components of extensive criminal networks that undermine the democratic stability, economic development and social well being of the Southeastern Caribbean nation-states.⁴

In the western hemisphere, trade routes for narcotics trafficking fluctuate among the transit zones of Central America, Mexico and the Caribbean; this is often referred to as the “backdoor” or “third border” of the United States. The islands of the Caribbean lie

¹ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 70.

² Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 55.

³ Jorge I. Dominguez, *The Future of Inter-American Relations* (New York: Routledge, 2000), 64.

⁴ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 1.

between the world's leading producer, and the world's leading consumer of cocaine and marijuana, South America and the United States respectively.⁵ It is also critical to note that despite the United States being the largest national consumer of cocaine and marijuana, Latin America is now increasingly producing opiates and thus exporting heroin, cocaine, and marijuana to wealthy European markets. Interestingly enough, despite the dependent and non-dependent territories in the Caribbean being affected by the illegal drug trade, some states such as Jamaica, Trinidad and Tobago, St Vincent and the Grenadines and St. Lucia are in fact drug producers, domestically growing marijuana crops. Another major role of Caribbean states in this trade is to serve as drug transshipment points for illegal cocaine and heroin shipments originating out of South American drug producing countries bound for the lucrative markets in the United States and Europe.⁶

Moreover, corruption caused by the illicit drug trade has emerged in the Caribbean for quite some time now; unfortunately, it appears to have reached its pinnacle posing a major threat to the stability and development of the Caribbean region. It can be assumed that the mixture of corruption and drugs creates a vicious cycle of crime and violence that is engulfing many of the small Caribbean states. Corruption is what allows the illegal drug trade to flourish.⁷ Drug money payoffs to government officials, police

⁵ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, "*Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007*," http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

⁶ Ibid.

⁷ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 159.

officers, and justice system officials influence these officials to “look the other way” as the drug gangs go about their business in many Caribbean states.⁸

The Crux

This study primarily discusses the political economy of the illegal narcotics trade among the small island states of the Southeastern Caribbean. It argues that the growth of drug trafficking operations is the product of the comparative and competitive advantages that these islands’ economies benefit from globally, relative to other states. Specifically, these advantages are in the production and transportation of illicit narcotics. Also highlighted, is the fact that the island states have very limited significant advantages in legitimate international trade. Their natural endowments and degree of national development often do not permit them to effectively compete with larger states participating in the same or similar legitimate markets. Trade difficulties in cash crop agriculture, limited industrial production, government corruption, and bureaucratic inefficiency; have produced fragile underdeveloped economies unable to generate adequate state revenue and employment. Even when trade or industrial advantages exist, as in the case of Trinidad and Tobago with its oil industry, the inevitability of oil and natural gas reserves expiring, and the need to maintain sustainable development options have yet to emerge. Hence the banana, cocoa, spices, sugar, bauxite, and energy trades have not been completely adequate industries by which to develop and sustain the state.

⁸ Michael W. Collier, “*The Effects of Political Corruption on Caribbean Development*,” Paper presented at the annual conference for the Caribbean Studies Association, Nassau, Bahamas, May 27 to June 2, 2002.

Unfortunately, the desire of the citizens of these states to seek alternative sources of livelihood and revenue has been the inevitable outcome.

Unfortunately, in terms of illegitimate trade, the small island states of the Southeastern Caribbean also benefit from the natural advantages of the high domestic demand for narcotics in North America and Europe. These natural advantages include the states' close geographic proximity to narcotics production centers in South and Central America, limited local and regional interdiction regimes, large amounts of arable land, and the broad availability of regional money laundering services all of which have created ideal conditions for the illicit trade. Consequently, the inability of the states to make sufficient revenue legally, makes each of these factors attractive and advantageous as a means of generating new revenue amongst its citizens. The illegal narcotics trade has high money earning potential, for example, a kilogram of cocaine can yield a return of anywhere from 40 to 200 times the original value. The price of a kilogram of cocaine (uncut) in Colombia is set at between \$400 and \$600 US dollars, in Russia the same kilogram (uncut) is valued at about \$120,000(US) in New York, 35,000(US).⁹

Globalization has also had a major impact on the ways in which these Caribbean states can create revenue, and transformed the world economy. The spread of ideas and technology across borders has facilitated new avenues of trade, creating new markets, threatening some and expanding others.¹⁰ In this world of free trade, countries can access goods from around the world. Lines of communication and flows of trade have opened

⁹ Informant no. 1, Interviewed by Ayanna Armstrong, Hand-written interview, Port of Spain Trinidad, Monday May 16th 2011

¹⁰ Mathew S. Jenner, "International Drug Trafficking: A Global Problem with a Domestic Solution," *Indiana Journal of Global Legal Studies* 18, no. 2 (Summer 2011): 902.

among the rich, the poor, and everyone in between. There are two major problematic outcomes of globalization for smaller Caribbean states. Unfortunately for these small countries, globalization eliminates unilateral preferential arrangements, and these countries are forced to become competitive in order to survive.¹¹ Secondly, globalization also creates a complicated network of illicit markets ranging from drugs and arms trafficking to the smuggling of humans into slavery and prostitution.¹² These illicit industries, or black markets, are the product of globalization. They represent some of the gravest problems in all societies spanning the globe, jeopardizing international safety and security. One of the largest and most profitable of these industries is the market for illicit drugs. Estimated at \$320 billion in 2003 by the UNODC later, in 2009, UNODC estimated that in 2009 drugs represented about one fifth of global criminal proceeds.¹³ The highly lucrative nature of the industry also provides the cartels and DTPOs, high levels of reverence, freedom and power within their respective communities.¹⁴

Conversely, the weakness and vulnerability of the region's economies could be factors which influence these states to illicit trade practices where they have an existing advantage and the ability to informally bolster the revenue and employment shortfalls of legitimate trade. Illicit drugs fill the localized economic gaps left available by finance,

¹¹ Ransford W. Palmer, "The United States Win-Win Relationship with the Caribbean," *The Brown Journal of World Affairs* 16, no. 1 (Fall 2009): 155.

¹² Ibid.

¹³ UN Office of Drugs and Crime, "World Drug Report 2011," www.unodc.org/documents/data.../WDR2011/WDR2011-ExSum.pdf (accessed April 20, 2012).

¹⁴ Luiz de Andrade Filho, "The Dynamics of Drug Related Organized Crime and Corruption in Brazil from the Development Prospective," *Journal of Financial Crime* 15, no. 1 (2008): 52; Mathew S. Jenner, "International Drug Trafficking: A Global Problem With a Domestic Solution," *Indiana Journal of Global Legal Studies* 18, no. 2 (Summer 2011): 902.

capital, employment, the banana trade, cocoa, bauxite, oil, and natural gas. Further, the narcotics trade allows the state to informally gain an additional revenue stream at a comparatively lower financial cost than legalized trade.¹⁵ Therefore, as long as the advantages in illicit trade remain constant while significant advantages in legalized trade remain deficient, then the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment.

The literature is in agreement with the assertion that the issue of drug operations in the region entails more than illegal-drug production and trafficking. The consensus follows that it is in fact multidimensional in content as well as consequences.¹⁶ The literature also shares the view that the penetration of illegal narcotic organizations into a Third World nation is ultimately a phenomenon which is based on the demand for drugs by advanced, developed nations and the supply from developing nations. This study attempts to make the case that drug trafficking operations in the region have been the direct outcome of the comparative advantage that these states have, and that supply and demand become important due to these states' factor endowments.¹⁷

Central Research Question

Are factors of comparative and competitive advantages the primary drivers of the development of the narcotics trade in the Southeastern Caribbean islands?

¹⁵ Jean Grugel, *Politics and Development in the Caribbean Basin: Central America and the Caribbean in the New World Order*, Bloomington, Indianapolis: Indiana University Press, 1995, 185.

¹⁶ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 1.

¹⁷ *Ibid.*, 3.

Sub-Questions

1. To what extent is drug trafficking a major problem for the region?
2. What are the comparative and competitive determinants of drug trafficking in the Southeastern Caribbean islands?
3. Does supply and demand only become important due to comparative factor endowments?
4. What are the implications of this research for the Greater Caribbean region?

Hypotheses

1. As the Eastern Caribbean island states become more involved in the illicit drug trade, the more likely the increase in the social and economic problems experienced by these states.
2. As drug trafficking in the Southeastern Caribbean islands spreads, the more likely the increase in the comparative advantages that these islands command for drug trafficking operations.

The Southeastern Caribbean Islands

The Caribbean has been defined in several different ways, depending on the purposes to be served. The most conventional definition includes the islands from the Bahamas to Trinidad and the continental territories of Belize, Guyana, Suriname and French Guiana.¹⁸ Though not the only useful definition, it includes all the territories with a closely related history, whose patterns of evolution have followed a remarkably parallel

¹⁸ Franklin W. Knight, and Colin A. Palmer, *The Modern Caribbean* (Chapel Hill, North Carolina: The University of North Carolina Press, 1989), 3.

trajectory in the modern period.¹⁹ Within the Caribbean, drug trafficking operations play two very important roles. Firstly, they support a multi-billion dollar industry that offers major contributions to struggling, small island states. Secondly, they are the source of many of the social, political and economic ills associated with transnational crime. In the western hemisphere, trade routes for narcotics trafficking fluctuate between the transit zones of Middle America and the Caribbean.

This paper seeks to make the case that the growth of drug trafficking operations in the sub-region of the Southeastern Caribbean is in fact the product of the comparative and competitive advantages of the islands rather than simply the result of supply and demand fluctuations in North America, Europe and Latin America. The limitations of time and resources meant that I was unable to conduct a complete analysis of the entire history of all the Caribbean states. As an alternative, for the purpose of this dissertation I analyzed the islands of this region during the period most affected by drug trafficking, spanning from 1970 to the present day. When identifying the parts of the region that I would use for my case studies I decided to investigate islands in the Southeastern Caribbean region rather than the Southwestern states in which the drug trafficking phenomenon has been more popularly researched (Jamaica and Puerto Rico).

The Southeastern Caribbean region for the purpose of this research is identified as the string of islands Caribbean region beginning with Anguilla and extending down to Trinidad and Tobago and does not include Suriname, French Guiana or Guyana. The countries that were identified to be investigated were justified by using the Mills Canon Comparative Methods of Joint Method of Agreement and Difference framework. This

¹⁹ Ibid.

framework was used to analyze and establish the similarities and differences of the key comparative and competitive advantages in drug trafficking of each of the island states in the region.

This analysis established that while Trinidad and Tobago, St. Vincent and the Grenadines and the Commonwealth of Dominica share similar comparative and competitive advantages, only Trinidad and Tobago and St. Vincent and the Grenadines had high levels of drug transportation and production. As a researcher I found this to be very interesting as it created the opportunity for a new analytical framework for the drug phenomenon to be developed. Instead of the more prominent popular analysis examining the effects of supply and demand, this new framework would offer an investigation analyzing to the extent the comparative and competitive advantages effect and result in the proliferation of the drug trade in the Caribbean region. While the Commonwealth of Dominica showed similar comparative and competitive advantages in drug trafficking and production as SVG and T&T, lower levels of these illicit practices exist even in the face of fewer challenges to the establishment of similarly sized operations. It is my belief that a comprehensive analysis of these phenomena will offer comparative insight on how it developed in St. Vincent and the Grenadines and Trinidad and Tobago; Due to the limitations of time and resources, the commonwealth of Dominica was not used as a case study. St. Vincent and the Grenadines (SVG) along with Trinidad and Tobago (T&T) are the countries analyzed in this study. It is the goal of this research to enrich the political economy interpretations of the drug trade in the Caribbean. It is my hope that a framework of analysis like this one will assist scholars and policy makers in their

evaluation of and struggle against the evolution of the drug trade both in the Caribbean and other parts of the world.

Research Methodology: Data Collection Steps and Procedures

A comparative study of Caribbean political economy- The primary data collection was conducted through interviews with policy makers and officials in Trinidad and Tobago and St. Vincent and the Grenadines. 26 elite interviews were conducted over a 6 month period in 2011. Interviewees included present and retired directors of major security organizations in both T&T and SVG. For the purposes of this research and due to the sensitive nature of the topic of drug trafficking, all names and identifying information were kept confidential. The secondary data collection for this research was taken from major government documents and drug trafficking reports from the United Nations, United States State Department and Special Anti-Crime Unit of Trinidad and Tobago. Organizations such as the United Nations Office on Drugs and Crime, and the Drug Enforcement Agency (DEA) in the United States, have been producing drug trends analysis concerning the Caribbean region for a significant period of time. Reports from the Caribbean regional office and the Vienna office of the United Nations Office on Drugs and Crime (UNODC), and other organizations in the United States, Latin America and Europe have produced useful statistics regarding drug trade trends. Consolidation of key points in these trends analysis offer some understanding of regional drug related issues, based on primarily open sources of information as well as seizure data (and interviews) from the individual jurisdictions.

Research Techniques:

- a. Data Analysis Steps & Procedures
- b. Interviews
- c. Qualitative methodological Approach

Historical Research was conducted through analysis on the development of drug trafficking and its effects on the Southeastern Caribbean region utilizing books, journals, and articles. A qualitative analysis of the comparative and competitive advantages in drug trafficking operations undertaken within Trinidad and Tobago; St. Vincent and the Grenadines was conducted. An institution-oriented approach to political economy was used, and the principal unit of analysis was identified as the state, while the principal actors are the drug trafficking operators and money launderers in the Southeastern Caribbean. The central argument of this paper is that as long as the advantages in illicit trade remain constant, while no significant advantages in legalized trade emerge, the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment. Empirical and normative measurements of the aforementioned comparative and competitive advantages within the two identified states were included. A systematic analysis of the effects of these advantages, their development and involvement in the emergence of drug trafficking operations in the region was conducted. In proceeding forward, an assessment of the similarities and differences of the results for the three states was explored. The researcher then offered recommendations for combating the issues associated with drug trafficking in the region.

Dependent Variable: Drug Trafficking in the Southeastern Caribbean Region

Independent Variables: Comparative and competitive advantages Southeastern Caribbean states have in drug trafficking operations as opposed to legitimate trade. These variables include:

- Democratic Westminster Parliamentary System
- Weak National Security capabilities
- Money Laundering/Tax Havens
- Arable Land
- Globalization and its consequences
- Proximity and Strategic position between South, America, Europe and the United States.

The information gathered from the elite interviews conducted, discussed the effects of the Independent variables on the Proliferation of DTPOs. These interviews were made to answer questions relating to and establishing a comprehensive and practically applied understanding of the proliferation of drug trafficking operations in the Southeastern Caribbean region; the researcher focused on the comparative and competitive advantages that these island states have in drug trafficking and drug production. The questions that each interviewee were asked are as follows:

1. To what extent are drug trade operations a major problem for the region?
2. To what extent are drug trade operations a major problem for your state?
3. What are the major types of drug trafficking organizations active in this country?
4. Is it drug trafficking or drug production that is more active in this country? and what are the major activities associated with drug trade operations?

5. What are the major effects of the illegal drug trade to the region/your nation's economic, social and political development (these can be threats or benefits)?
6. What are the country's capabilities to combat drug trade operations?
7. What are the regions capabilities to combat drug trade operations and are these capabilities sufficient enough by your estimation?
8. What are the major comparative and competitive advantages in drug trade operations?
9. How important are these comparative and competitive advantages to drug trade operations in the state?
10. What factors would you identify as being the major contributing instruments of illicit drug trade operations in this country?
11. What is the importance of supply and demand to the proliferation of drug trade operations in the region?
12. Do you predict that there will be an increase or decrease in drug trade operations in your country? Why?
13. Do you predict that there will be an increase or decrease in drug trade operations in the region? Why?
14. Do you think that Southeastern Caribbean states with similar comparative advantages in drug trade operations have the same levels and challenges associated with drug trafficking and production?
15. Is there any particular issue that you feel the academic, security or political establishments on drug trade operations in the region have overlooked?

Theoretical Framework

No theoretical framework appears to be all encompassing in explaining the drug trade phenomenon in the Caribbean. However, the narcotics trade is still evolving and it can be argued that it is dependent upon a number of factors (specifically the advantages that the region has in DTPO activities) in addition to product supply and demand.

Drug trafficking is one of the major areas of operation for criminal business enterprises operating as organized crime groups in the region.²⁰ Some studies of the region emphasize dependency theories regarding the supply and demand of external markets in North America, Europe and Latin America.²¹ Other political theorists assert that it is capitalism that creates criminal behavior. This theory of capitalism, argues that it is the ruling class that uses the law and criminal justice system to advance their economic and social purposes. In this case, capitalism is a political concept to protect the power and the position of the upper classes at the expense of the poor. Capitalism thus becomes the root cause of criminal behavior of the poor. Political scientist Ivelaw Griffith in *Drugs and Security in the Caribbean: Sovereignty Under siege* makes a credible linkage between the Caribbean mini-states and global capitalism.²² Griffith makes the argument that the human needs of the poor are ignored; this framework assumes that for the working class, crime is best understood as a response to their harsh living conditions and poverty. Their illegal activities range from unconscious reactions to exploitation, to conscious acts of survival within the capitalist system, to politically conscious acts of rebellion.²³ Social theories, such as control theory and differential association theory are based on the idea that the social or environment is primarily responsible for criminality in our society. For example, broken families, poor parenting, low quality educational

²⁰ Jorge I. Domínguez, *The Future of Inter-American Relations* (New York: Routledge, 2000), 65.

²¹ Maite Villoria, "Colombia's Drug Trafficking Subculture: Its Literary Representation in La Virgen de los sicarios and Rosario Tijeras," *Caribbean Quarterly* 57, no. 2 (June 2011): 75.

²² Clifford E. Griffin, review of *Drugs and Security in the Caribbean: Sovereignty under Siege*, by Ivelaw L. Griffith, *American Political Science Review* (December 1999): 1014 -1015.

²³ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 18.

experiences, delinquent peer relations, poverty, lack of equal economic opportunity and inadequate socialization to the values implicit in a culture, do have some validity.²⁴

Conversely, another effective but still limited framework for analyzing the problem of DTPO activities in the Caribbean follows a neo-Marxist framework, where geography becomes a factor because of the global spatial dispersion of drugs between the supply states in Latin America and the demand states in North America and Europe. This theoretical grounding argues that the structure of the system is a developed center or metropole (for example the United States) and underdeveloped peripheries or satellites (for example Latin American countries). Immanuel Wallerstein asserted that the historical emergence of the capitalist world system since the sixteenth century creates an international division of labor, within which each country has its function. The structure of this system is the developed core, an underdeveloped periphery and a partially developed semi-periphery. The Caribbean states in the semi-periphery share characteristics of the states from the developed center (high educational levels, democratic stability) and others within the underdeveloped periphery (poverty, agrarian based economies).

Additionally, certain physical and social geographic features of the Caribbean include large amounts of arable land, poverty as well as limited police and navy forces which contribute to the determining factors making the Caribbean states advantageous locations of drug transshipment, production and money laundering. The remuneration obtained through drug trafficking operations, allows states in the semi-periphery and

²⁴ Kristan Glasgow, Robert Crosnoe, and Sanford M. Dornbusch, "A Social Process Model of Adolescent Deviance: Combining Social Control and Differential Association Perspectives," *Journal of Youth and Adolescence* 29, no. 4 (August 2000): 395.

periphery to gain more advantages in trade thus allowing them to gain more of the power and wealth experienced in the center.

Differently, through a realist scope, power is both state and non-state in origin and involves the ability of individuals and groups to secure compliant action. In some cases non-state sources exercise more power than state entities; these non-state actors include other governments and drug cartels.²⁵ Politics revolves around resource allocation in the sense of the ability of power brokers to determine who gets what, how, and when. Since power in this milieu is not only state power, resource allocation is, correspondingly, not exclusive to state power holders.

Realism makes several assumptions. It assumes that nation-states are unitary, geographically-based actors in an anarchic international system with no authority above the capability of regulating interactions between states.²⁶ The states, as the highest order, are in competition with one another. As such a state acts as a rational autonomous actor in pursuit of its own self-interest with a primary goal to maintain and ensure its own sovereignty and survival through its capabilities. Realism holds that in pursuit of their interests, states will attempt to amass resources, and that relations between states are determined by relative levels of power. The state will rationally aim for regional hegemonic power over their region, yet every state will also maximize their own power relative to the surrounding powers.

The concept of polar proximity places the Southeastern Caribbean region geographically in the middle of the hegemonic influence of Latin America and the United

²⁵ Jorge I. Domínguez, *The Future of Inter-American Relations* (New York: Routledge, 2000), 65.

²⁶ Ibid.

States under the realist scope. While the sub-region is closer to the former (namely Venezuela, Colombia, Brazil & Mexico), it is further away from North American and European drug interdiction efforts, many of which are being withdrawn and even downsized. However, the Southeastern Caribbean region is still close enough to be a viable option to contribute to the North American and European demand, and closer still to the supply lines in Latin American states like Venezuela. The states in this region are then forced into a position where non-state actors become the driving force behind their economic volition in this case it would be DTPOs. The geographical proximity to North and South America drive the supply and demand of the drug market, the drug interdiction programs, foreign investment, aid and resources that these small nation states become dependent upon. The comparative and competitive advantages that each island state possesses with illegitimate trade as opposed to legitimate trade, take precedent due to their polar proximity to a hegemonic power.

As a researcher, it is my opinion that the theoretical grounding most suited to the analysis of DTPOs in the Southeastern Caribbean region emerges from liberalism which holds that state preferences, rather than state capabilities, are the primary determinants of state behavior. Liberalism allows plurality in state actions. Hence, preferences will vary from state to state, depending on factors such as culture, economic system or government type. Liberalism also holds that interactions between states are not limited to the political/security, but also economic/cultural whether through commercial firms, organizations or

individuals and non state actors.²⁷ This becomes important as we examine the drug trade in the region and the state and non-state actors' role in the phenomenon.

Looking back at the sugar and banana production, one is able to see the competitive advantages that the region once benefitted from, due to a combination of human resources, location and demand. These advantages enriched the region economically, this coupled with the sustenance of the colonial metropolises allowed for the region to thrive. Unfortunately, the post-independence era in the Caribbean has brought about some major changes. For example, the region now experiences disadvantages with a newly globalized market economy where the region's lack of technology, higher labor costs in comparison to other parts of the world, and higher duties and tariffs are not as beneficial to the region.

Moreover, these disadvantages to the legitimate state have been exploited by the individuals associated with the drug trade. The proliferation of these illegitimate activities is most readily explained through a liberal paradigm, using the Ricardian model of comparative advantage and the principles of competitive advantage. The static comparative advantage for this paradigm is not the archetype of David Ricardo's model of comparative advantage which was first formulated in the 19th century and influenced by England's manufacturing superiority at the time. According to the principle of comparative advantage, the gains from trade follow from allowing an economy to specialize - If a country is relatively better at growing sugar than processing steel, it

²⁷ Webster's Dictionary Online, <http://www.websters-online-dictionary.org/definitions/liberalism?cx=partner-pub-0939450753529744%3Av0qd01-tldq&cof=FORID%3A9&ie=UTF-8&q=liberalism&sa=Search#922> (accessed April 1, 2011).

makes sense to put more resources into sugar, and to export some of the sugar to pay for imports of steel. This is even true if that country is the world's best steel producer, since the country will have more of both steel and sugar than it would have without trade. A country does not have to be best at manufacturing a product to gain from trade.

The comparative advantage that explains drug production and trafficking in the Caribbean region, explains that the non-state actors that perpetuate the production and trafficking, gain a comparative advantage since they can produce high potency product (SVG and Jamaica are touted as having high quality ganja), the region is not as volatile as areas such as Mexico and central America, and the risks of activities such as money laundering are lower. The cost of "doing business" (illegitimate business) is lower in the Caribbean than in other parts of the world. Competitive advantage is based on either better or more factors inputs such as:²⁸

1. Resources (human and physical capital and infrastructure)
2. Demand (domestic and international)
3. Proximity of related industries (especially those that are themselves competitive internationally).
4. Firm strategy, structure, and rivalry (How companies have created and managed)
5. Government policies.
6. Discontinuities and chance (inventions, for example, in biotechnology; changing input costs such as oil shocks, surges in demand, stock market crashes).

Comparative and competitive advantage paradigms still have a number of limitations in explaining the phenomenon, as they do not take into consideration the

²⁸ Walter C. Clemens, *The Dynamics of International Relations; Conflict and Mutual Gain in an Era of Global Interdependence*, 2nd ed. (Lanham, MD: Rowan and Littlefield Publishers, 2004), 398-399.

states' capabilities or the nuances of political will and geography when analyzing the problem. However, this research study while to a lesser extent emphasizes the role of comparative and competitive advantage, will also discuss these states' capabilities in examining the problem of the drug trade in the Southeastern Caribbean states.

Towards a New Paradigm

In a 1997 report on economic trends, the World Bank stated that economic growth has been greatest in economies that have opened themselves to world trade, welcomed private investment, achieved macroeconomic stability, and allowed an incentive system of prices and taxes to encourage structural transformation.²⁹ Unfortunately, this openness of the small island states' economies has left them vulnerable to attack and underdevelopment. The vulnerable economies suffer from a heavy reliance on foreign trade, limited production and export diversification, low saving, heavy dependence on foreign capital, and an abundance of impeded economic and management skills.³⁰ This has left the region dependent upon foreign economic support and their natural endowments. With the degree of national development muted, this has directly or indirectly driven many small island economies out of the economic competition and even further into debt and underdevelopment. However, the island states of the sub-region have a significant comparative and competitive advantage in the production and transportation of illicit narcotics.

²⁹ Walter C. Clemens, *The Dynamics of International Relations; Conflict and Mutual Gain in an Era of Global Interdependence*, 2nd ed. (Lanham, MD: Rowan and Littlefield Publishers, 2004), 398-399, and "Economic Trends in the Developing World Report," <http://www.imf.org/external/pubs/ft/fandd/1997/03/pdf/devfocus.pdf> (accessed February 10, 2011).

³⁰ Jorge I. Domínguez, *The Future of Inter-American Relations* (New York: Routledge, 2000), 65.

Additionally, trade difficulties in cash crop agriculture, limited industrial production, government corruption, and bureaucratic inefficiency; have produced fragile underdeveloped economies unable to generate adequate state revenue and employment. The inability of the state to make sufficient revenue legally makes their comparative advantages in illegitimate trade advantageous. The availability of large amounts of arable land, close proximity to Latin American production, existence of stable democratic systems, considerable distance from drug interdiction centers and accessibility of money laundering hubs are some of the factors making drug trafficking profitable. These factors become the basis on which the system turns its resources to illegitimate trade. The narcotics trade allows the state to informally gain an additional revenue stream at a comparatively lower financial cost than legalized trade. As long as the advantages in illicit trade remain constant, while no significant advantages in legalized trade emerge, the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment.

Historical and Contemporary Viewpoints in Drug Trafficking and Production in the Caribbean

A leading scholar on the political economy drug trafficking in the Caribbean region, Ivelaw Griffith asserts that the drug market is no different from any other commodity trade, since it is driven by the basic economic forces of demand and supply.³¹ It is the central argument of this paper that supply and demand is important but only due to the factor endowments of comparative and competitive advantage.³² Statistically,

³¹ Griffith, L. Ivelaw, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 3.

³² Ibid.

consumption of cocaine in the United States has been in long-term decline since the 1980s and has dramatically dropped off since 2006; this is likely due to enforcement efforts in Latin America.³³ It is important to note that these efforts have increased competition and violence between drug trafficking groups and strengthened alliances (between Caribbean and Latin American DTPOs), resulting in an exacerbation of the socio-economic and political effects of the illicit trade in these regions. Some of the decline in 2008 can be attributed to lower productions in Colombia, the dominant supplier of the drug to North America. However, the decline of consumption in North America was even more pronounced than the decline in total cocaine availability and supply in the Andean region, suggesting more of a correlative relationship rather than one of causation.

Interestingly, statistics on seizures and arrests on most drug trafficking operations have also seen a decline in the Caribbean region. However, it still remains a major problem which the region faces daily. As long as the advantages in illicit trade remain constant, while no significant advantages in legalized trade emerge, the illicit trade of drugs seems compelled to continue to grow in this sub-region as a means of generating revenue and employment. According to the 2010 UN World Drug Report, 20% of the illicit drugs destined for the United States are conveyed via the Caribbean islands.³⁴ This 2010 report states that 51% of drugs coming from Latin America go through Venezuela as the trade route through the region remains particularly active in states such as St.

³³ UN Office of Drugs and Crime, "*Globalization of Crime A Transnational Organized Crime Threat Assessment, 2010*," www.unodc.org/.../data...analysis/.../TOCTA_Report_2010_low_res.pdf (accessed April 20, 2012).

³⁴ Ibid.

Vincent and Trinidad where the competitive and comparative advantages remain high. Andean narcotics trade scholar Francisco E. Thoumi argues that international trade changes the composition of output in a country, increasing that of the goods and services in which the country has comparative or competitive advantages and lowering output in those in which the country does not have advantages.³⁵ Only in exceptional cases does international trade result in situations in which the production of a particular product is wiped out from a country. This happens only when countries are very small and their internal markets limit the number of goods and services that can be profitably produced or when countries face extremely large comparative advantage; that is, when the difference in production costs in and outside the country is very small (such as in the Caribbean).³⁶

Comparative and Competitive Advantages

According to static comparative advantage theory, nations are better off specializing in the product in which they had an existing comparative advantage.³⁷ In this case, comparative advantage explains why a country (non-state actors) might produce and export something its citizens do not seem very skilled at producing when compared directly to the citizens of another country. In this case, the Caribbean is becoming a major transshipment and production point for illegal narcotics of the European community and

³⁵ Francisco E. Thoumi, *Illegal Drugs, Economy, and Society in the Andes* (Baltimore, Maryland: Johns Hopkins University Press, 2003), 55.

³⁶ Ibid.

³⁷ Robert J. Caubaugh, *International Economics*, (Mason, OH: South-Western Cengage Learning, 2009), 93.

North American market, even though they have many shortfalls in legitimate trade.³⁸ The explanation of the apparent paradox is that the citizens of the importing countries in North America and Europe must be even better at producing something else, making it worthwhile for them to pay to have the product transported through or produced by the exporting (transshipment) country. The citizens of each country are better off specializing in producing and transshipping only the goods for which they have a comparative advantage.

Competitive advantage on the other hand, exists when a country has a product or service that is perceived by its target market customers, as better than that of its competitors (volcanic enriched soil in St. Vincent makes the marijuana grown there very potent).³⁹ Competitive advantage examines the economics of a country, focusing primarily on its competitive advantage. In the end, it is a country's competitive advantage that allows it to earn excess returns for its shareholders, the citizens. Creating a sustainable competitive advantage may be the single most important goal of any corporation and may be the most important single attribute on which each corporation must place its greatest focus.⁴⁰

³⁸ Paul Lucian, *From The Comparative Advantage Theory To The Theory Of Competitive Advantage On The World Market*, Lucian Blaga University of Sibiu, Faculty of Economic Sciences in its journal *Studies in Business and Economics*. <http://eccsf.ulbsibiu.ro/RePEc/blg/journal/519lucian.pdf> 2010 (accessed April 22, 2011).

³⁹ Ibid.

⁴⁰ Ibid.

Arable Land

Historically, plantation agriculture has been widespread as the dominant enterprise ever since the economies of tropical areas were transformed by European colonizers.⁴¹ Plantation agriculture controlled the political structure, established a rigid social class structure, and maintained a stranglehold on the entire economy of nations where it prevailed. Charles Wagley's plantation America offers an intellectual definition of the Caribbean based on shared plantation history.⁴² This type of agriculture was developed by foreign entrepreneurs who went into an area with a sparse native population, bringing with them a new crop, management skills, imported labor, and a ready market for the product.⁴³ The revenue from products like sugar, cocoa, spices, and bananas were enough to sustain the economies of these island nations.

Today these island states no longer have significant advantages in legitimate international trade. Their natural endowments and degree of national development too often do not permit them to effectively compete with larger states participating in the same or similar legitimate markets. Trade difficulties in cash crop agriculture, limited industrial production, government corruption, and bureaucratic inefficiency; have produced fragile underdeveloped economies unable to generate adequate state revenue

⁴¹ Ruth C. Young, "The Structural Context of Caribbean Agriculture: A Comparative Study," *The Journal of Developing Areas* 10, no. 4 (July 1976): 426, <http://0-www.jstor.org.sultan.tnstate.edu/stable/4190404> (accessed April 21, 2011).

⁴² George L. Beckford, *Persistent Poverty: Underdevelopment in Plantation Economies of the Third World* (Kingston, Jamaica: University of West Indies Press, 1999), 18.

⁴³ Ruth C. Young, "The Structural Context of Caribbean Agriculture: A Comparative Study," *The Journal of Developing Areas* 10, no. 4 (July 1976): 425, <http://0-www.jstor.org.sultan.tnstate.edu/stable/4190404> (accessed April 21, 2011).

and employment. As a result, the banana, cocoa, spice, sugar, bauxite, and energy trades have not been efficient industries by which to develop the state. The desire to seek alternative sources of livelihood and revenue has been the outcome. The advantage of large amounts of fertile, arable land remains available, and marijuana production has become a major and lucrative alternative in revenue generation for a number of states including Trinidad and Tobago and St. Vincent and the Grenadines. St. Vincent and the Grenadines is an excellent example of this and has become one of the largest producers of marijuana in the Eastern Caribbean.⁴⁴

The northern half of SVG has extensive tracts of land under drug cultivation.⁴⁵ The illegal drug trade has infiltrated the island's agricultural sector, where the banana industry still accounts for more than half of the island's economy. The island's small-scale banana producers, which are not technologically advanced in their production methods, face endless pressure from banana corporations to lower their prices.⁴⁶ Interestingly and according to some of the interviewees, this development has influenced them to make the transition from banana production to marijuana cultivation as their main source of income.⁴⁷ Most farmers in the SVG agricultural sector often live in poor

⁴⁴ UN Office of Drugs and Crime, "*World Drug Report 2012*," http://www.unodc.org/documents/data-and-analysis/WDR2012/WDR_2012_web_small.pdf (accessed July 15, 2012).

⁴⁵ "*Region must up Drug Fight*," Nation News, <http://www.nationnews.com/articles/view/region-must-up-drug-fight/> (accessed April 19, 2011).

⁴⁶ Colin Fredrick, "*Edge on Narco-Trafficking: The Caribbean is the Fragile Third Border of Drug Trafficking*," The Cutting Edge, <http://www.thecuttingedgenews.com/index.php?article=12420&pageid=&pagename=> (accessed February 10, 2011).

⁴⁷ Respondents nos. 1,2,3,4, 5, and 6 interview by Ayanna Armstrong, Atlanta, Georgia, July 24, August 1 and 24 and September 11, 23, and October 27, 2011.

and underdeveloped environments, making it difficult to direct these farmers to another form of farming because marijuana cultivation demonstrably makes more money than other commercial crops.⁴⁸

Democratic Westminster Parliamentary System

The Westminster system is a democratic parliamentary system of government modeled after the political structure of the United Kingdom. This term comes from the Palace of Westminster, the seat of the Parliament of the United Kingdom. The system is a series of procedures for operating a legislature.⁴⁹ It is used, or was once used, in the national legislatures and subnational legislatures of most Commonwealth and ex-Commonwealth nations upon being granted responsible government.⁵⁰ The Westminster system in the Commonwealth Caribbean does not function exactly as had been anticipated. There are several flaws in the system limiting the democracy and popular control over the political elite and their agendas. This bureaucratic inefficiency could be a source for corruption by those in government and the drug traffickers. For example, too much power is in the hands of the Prime Minister and elected Ministers. With this sense of unlimited authority due to the Westminster political system, one could only envisage the dangers posed to a territory or territories if the drug cartels and their operatives are closely linked to the government in power. The political systems tend towards

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ Ibid.

clientelism, and in some instances a concentration of power which if corrupted ignores the interests of the people for the interests of drug trafficking operations.

Additionally, political theorist Arend Lijpart has also noted that the Westminster model permits "the governing majority of popular leaders to carry out excesses easily" and suggests that this is a particular danger in numerically small societies and in pluralist societies, that is, societies which are profoundly divided culturally.⁵¹ In this case, he suggests minorities will find either little chance to express their democratic demands or few possibilities that those demands will be attended to by the state. In a "winner takes all" system, the votes of the minorities can be ignored because they are not needed to form a stable government. This suggests that the Westminster system depends upon the principle of exclusion of minorities and the poorer and disenfranchised citizens of the state. It is an inherent feature in the system, which can sometimes undermine its legitimacy and which accounts for the vulnerability of Caribbean democracy.⁵²

Tax Havens/Money Laundering

In some Caribbean countries such as Aruba and Antigua and Barbuda, intermediaries such as lawyers and accountants are not covered by the money laundering laws.⁵³ Often, these "gatekeepers" are used to set up corporate vehicles that help hide the beneficial ownership of assets. These assets may be earned or obtained legitimately, but individuals may seek ways to hide them from the tax authorities to avoid paying accrued

⁵¹ Jean Grugel, *Politics and Development in the Caribbean Basin: Central America and the Caribbean in the New World Order*, Bloomington, Indianapolis: Indiana University Press, 1995, 116.

⁵² "Region must up Drug Fight," Nation News, <http://www.nationnews.com/articles/view/region-must-up-drug-fight/> (accessed April 19, 2011).

⁵³ Ibid.

taxes. Other Caribbean countries, for example Dominica, permits “shelf companies” or ready-made offshore companies. Shelf companies can be incorporated with a nominee director and nominee shareholder, and are for sale for immediate use. St Vincent and the Grenadines still allow bearer share companies.⁵⁴ The tax haven is one of the fastest growing areas for US investment abroad.

Between 1978 and 1983, there were 464 such cases, of which 45% represented illegal transactions with legal income. Of the other 55%, illegal income was involved (161 cases of which dealt with drug trafficking). Of these cases, 29% involved the Cayman Islands, 28% involved Panama, 22% the Bahamas, and 11% the Netherlands Antilles. These four offshore sites alone accounted for 85% of the cases involving transactions with illegal income.⁵⁵ Money laundering which is defined in this research as the conversion of profits from illegal activities, in this case drug trafficking operations, into financial assets that appear to have legitimate origins and uses. Money laundering is a dynamic phenomenon, with various phases of development including: placement, layering, and integration.⁵⁶ Placement is the physical disposal of bulk cash, either by commingling it with revenues from legitimate businesses or by converting currency into deposits in banks, insurance companies, or other financial intermediaries. Layering involves transferring money between various accounts through several complex transactions designed to disguise the trail of the illicit takings. Integration, the last stage,

⁵⁴ Ibid.

⁵⁵ Anthony P. Maingot, “Laundering the Gains of the Drug Trade: Miami and Caribbean Tax Havens,” *Journal of Interamerican Studies and World Affairs* 30, no. 2/3 (Summer - Autumn 1988), <http://www.jstor.org/stable/165985> (accessed September 12, 2011).

⁵⁶ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 97.

requires shifting the laundered funds to legitimate organizations with no apparent links to the drug trade.⁵⁷

Estimates of the amount of drug money laundered worldwide ranges between U.S. \$300 billion and U.S. \$500 billion.⁵⁸ Money launderers use a variety of banking and non-banking financial institutions for placement, layering, and integration. Both onshore and offshore banks are used, private as well as public ones. Non-banking institutions used include travel agencies, exchange houses, financial companies, securities dealers, casinos, shell companies, real estate agencies, fruit shops, import and export firms, trucking companies, trust companies and investment banks among other businesses. Caribbean countries have been used for many of the placement, layering, and integration arrangements and instruments.⁵⁹ All the geo-narcotics factors- drugs, geography, power and politics - feature in the Caribbean money-laundering connection. As with trafficking, the geography factor relates to the region's proximity to South America, a critical drug supplier, and North America, a vital demand area. The demand-supply dynamics between the two generates money that needs placement, layering and integration, and the Caribbean is geographically convenient.

Limited National Security Capabilities

Trinidad and Tobago is one of the Caribbean region's more developed states, and its location off the coast of Venezuela, is characterized by permeable air and sea borders, and direct air or sea routes to Europe, West Africa, the US, Canada and the Caribbean

⁵⁷ Ibid., 98.

⁵⁸ Ibid.

⁵⁹ Ibid.

makes it ideally suited for drug transshipment. Trafficking of South American cocaine and marijuana from South America and the Caribbean along with smaller amounts of heroin are rampant throughout the region.⁶⁰ The limited resources of a number of the Caribbean's small island states often make them dependent on foreign aid, investment and regional cooperation to be able to sufficiently conduct anti-drug efforts throughout the region. For example, in North America the Obama administration has had to downsize many regional efforts and assistance programs, including some security-related projects that would impact counternarcotics efforts, in order to focus greater attention on domestic issues, due to harsh economic times.⁶¹

Regionally, the governments of Southeastern Caribbean states like Trinidad and Tobago struggle to effectively coordinate and implement its drug-control assets though maintenance issues, corruption, and gaps in the legislative framework remain challenges.⁶² While Trinidad and Tobago has dedicated resources to drug control efforts, overall there does not appear to be a marked change in its drug-control performance in 2010. Some initiatives including demand reduction programs for school children and at-risk youth may take years to show results. The seven independent countries of Antigua and Barbuda, Barbados, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines, commonly known and collectively referred to in the report as the Eastern Caribbean, continue to harbor abundant transshipment points for illicit

⁶⁰ "Region must up Drug Fight," Nation News, <http://www.nationnews.com/articles/view/region-must-up-drug-fight/> (accessed April 19, 2011).

⁶¹ Ibid.

⁶² Ibid.

narcotics primarily from Venezuela destined for North American, European and domestic Caribbean markets.

In the Eastern Caribbean, drugs transit mostly by sea in “go-fast” boats, larger fishing vessels, yachts and freighters in a variety of scenarios is tailored to the geography of the region.⁶³ Local governments are ill-equipped technologically and are without sufficient maritime infrastructure to combat the innovations of the DTPOs. In cases such as the plural states in Trinidad and Tobago and St. Vincent and the Grenadines, there are a number of islands away from the main island, that make it even more difficult to police the waters at all times. This gives the states a comparative advantage in drug trafficking.⁶⁴ In general, the Eastern Caribbean suffers from a dramatic increase in crime as more narcotics remain on the streets for local consumption while organized gangs are forming to control distribution routes in the lucrative drug trade. This is compounded by the lack of comprehensive and timely vetting of all officers serving in sensitive positions, which contributes to the vulnerability of narcotics related corruption.⁶⁵

Globalization and Its Consequences

Since the 1500s the Caribbean has been controlled by outside powers, initially based on imported labor focused on creating monocrop landscapes, and reliant on the import of virtually everything else needed to sustain its local population.⁶⁶ Historically,

⁶³ Ibid.

⁶⁴ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 55.

⁶⁵ Ibid.

⁶⁶ Thomas Klak, *Globalization and Neoliberalism: The Caribbean Context* (Lanham, MD: Rowan & Littlefield Publishers, 1998), 6.

many elements of Caribbean society were exogenously constructed and transplanted. Contemporarily, Globalization and the hegemonic influences of North, South America and Europe continue the exogenous influences on regional development.

The process of globalization has been boosted over the last few decades by a shift towards market forces and policies of de-regulation and economic liberalization.⁶⁷ International flows of people data, capital, technology and services are already so extensive, that they have already begun to undermine the political sovereignty of many Caribbean states.⁶⁸ The region's states are increasingly unable to monitor the flow of assets and encoded information across its borders making the process of money laundering more efficient. Inward flows of television news and entertainment programming are transmitted and received at will, without regard to any national communications policies.

While employment opportunities become less and less in the region, the availability of out migration of both skilled and unskilled labor is now being blocked by many foreign government and the unemployed of the region are left to contend for the limited jobs available to them.⁶⁹ Furthermore, multi-lateral financial agencies exercise trans-border jurisdiction over important national economic decision-making, the global

⁶⁷ Hopeton S. Dunn, *Globalization, Communications and Caribbean Identity* (New York, NY: St. Martin's Press, 1995), xiii.

⁶⁸ Ibid.

⁶⁹ Ibid.

character of such issues as the illegal trade in drugs all defy solutions by any single national entity.⁷⁰

The aid and investment given by the US and European communities toward the anti-narcotics efforts of the Caribbean region sometimes translate into technical support which is also very important to the small islands which have limited resources and capacity, given the fact that most of the illicit substances are destined for the industrialized world.⁷¹ Contemporarily, ongoing spending cuts in foreign aid in both North America and Europe have threatened anti-narcotics efforts in the region. The United Kingdom is expected to abandon its warship patrols in the region only leaving a few auxiliary ships policing the region. The United States has also cut back on foreign aid and investment toward anti-narcotics to focus on domestic issues.⁷²

Proximity and Strategic Position Between South America, Europe and the United States

Conventional economics teaches that disequilibria between supply and demand are self-correcting. Theoretically, large stocks of cocaine or marijuana and low prices will drive inefficient producers from the market and signal the remaining producers to reduce their output. As aggregate production declines, a rough balance will eventually be struck between global consumption and production.⁷³ On the demand side, the United States

⁷⁰ Ibid.

⁷¹ "Region must up Drug Fight," Nation News, <http://www.nationnews.com/articles/view/region-must-up-drug-fight/> (accessed April 19, 2011).

⁷² "Montserrat's new Governor sworn in," Nation News, <http://www.nationnews.com/articles/view/montserrats-new-governor-sworn-in/> (accessed April 22, 2011).

⁷³ Scott B. MacDonald, and F Joseph Demetrius, "The Caribbean Sugar Crisis: Consequences and Challenges," *Journal of Interamerican Studies and World Affairs* 28, no. 1 (Spring 1986): 35-40.

has the dubious distinction of being the world's single largest drug-consuming nation and a substantial amount of the Andean drugs going to the European community passes through the region to West Africa and directly to Europe. The Caribbean countries produce a significant amount of marijuana, they are also ideally located on the transit routes of cocaine traffickers from the producing centers in South America, and have been a major concern for the United States and European communities.⁷⁴ Its geographical location makes the Caribbean close enough to the US border and far enough away from the coasts of Europe to be an excellent position for the transshipment of drugs. The offshore location away from the European and North American communities means that the waters of the Caribbean Sea need to be heavily policed to thwart the efforts of drug trafficking operations.

The supply and demand element of drug trafficking is in fact very important. On the supply side, the world's cocaine is produced in South America, coming notably from Colombia, Peru and Venezuela among other Latin American states. Colombia alone produces about 80 % of all the cocaine in the world.⁷⁵ It is also noteworthy that 51% of all drugs leaving Latin America pass through Venezuela.⁷⁶ There is not much distance between the Caribbean and South America. Except for Suriname and French Guiana, all Caribbean territories are less than 2,000 miles from Miami. Only seven of them -

⁷⁴ Michelle Williams, Caribbean Shiprider Agreements: Sunk by Banana Trade War? *The University of Miami Inter-American Law Review* 31, no.1 (Spring 2000): 163-170, <http://www.jstor.org/stable/40166420> (accessed April 22, 2011).

⁷⁵ Ibid.

⁷⁶ UN Office of Drugs and Crime, "Globalization of Crime A Transnational Organized Crime Threat Assessment, 2010," www.unodc.org/.../data...analysis/.../TOCTA_Report_2010_low_res.pdf (accessed April 20, 2012).

Barbados, French Guiana, Grenada, Guyana, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago - are more than 2000 miles from Atlanta and Washington D.C. As for the distances between the Caribbean and some main South American drug centers, twenty-four Caribbean countries are less than 1,000 miles from Caracas, and most are less than 1,500 miles away from Bogotá, Cali, Caracas, and Medellín.⁷⁷ These distances are calculated using air distances from Caribbean capitals and from international airport locations where non-capital cities are involved. Thus, what is masked is the reality that for some trafficking purposes the distances are often shorter, given the fact that there are places in some Caribbean territories outside the capitals, that are closer to United States or Latin American territory, and traffickers use this greater proximity.

Nassau is only 183 miles away from Miami, but Bimini is even closer - 40 miles from Florida.⁷⁸ A mere 90 miles separate Cuba from the United States. The distance between Port of Spain and Caracas in Venezuela is 371 miles, but only a few miles separate La Brea in southwestern Trinidad from Pedernales in northeastern Venezuela. Eteringbang, Guyana, is only 28 miles from El Dorado, Venezuela.⁷⁹ Proximity to major supply can itself be conducive to trafficking, however, the region's vulnerability to trafficking and the prospects for continued trafficking can be emphasized through the

⁷⁷ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 63.

⁷⁸ Ibid.

⁷⁹ Michael C. Desch, Jorge I. Dominguez, and Serbín Andres, *From Pirates to Drug Lords: The Post-Cold War Caribbean Security Environment* (Albany, New York: State University of New York University Press, 1998), 100.

comparative advantage. Basically, geographic location is more conducive to the illegitimate drug trade when compared to the pursuit of more legitimate avenues.⁸⁰

Drug Trafficking Organizations and Other Non-State Actors

A number of non-state actors also have a great influence on the economic development and proliferation of drug trafficking in the region. Commanding much of the drug trafficking and production in the region are drug cartels. These are large, highly sophisticated organizations composed of multiple drug trafficking operations and cells with specific assignments such as drug transportation, security/enforcement or money laundering. They produce, transport and distribute illicit drugs domestically with the assistance of drug trafficking organizations that are either a part of or in an alliance with the cartel.⁸¹ Drug trafficking organizations (DTPOs) are complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.⁸²

Drug trafficking operations and the crimes related to them have reached significant proportions throughout the Caribbean. The mid-1980s witnessed an explosion of drug-related crime, corruption, production, consumption and, not incidentally, scholarship related to these, including works by Anthony Maingot, Carl Stone, Jonathon

⁸⁰ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 63.

⁸¹ U.S. Department of Justice National Drug Intelligence Center, "National Drug Threat Assessment 2011", <http://atforum.com/addiction-resources/documents/2011NationalDrugThreatAssessment.pdf> (accessed April 15, 2011).

⁸² Ibid.

Hartlyn and Ivelaw Griffith.⁸³ A few decades ago, much of the illegal drug distribution consisted of small-time traffickers, including tourists, who picked up a few hundred grams of heroin or cocaine or a kilogram of marijuana from a producer and distributed the product directly to casual contacts and personal friends. They would then pass along small amounts, some of it for financial gain. Although a proportion of the trade in drugs is still carried out in this manner, trafficking is increasingly organized, particularly at the wholesale and intermediary levels.⁸⁴ In 1996, 30% of the cocaine entering the United States came through the Caribbean transit zone. During the past several years, many drug traffickers have shifted their operations from primarily air-related activities to maritime activities utilizing technologies such as global positioning systems, to counter efforts by drug enforcement agencies to identify and monitor their activities.⁸⁵

Furthermore, DTPOs have the advantage of being able to pay workers and pay off the police, customs brokers and government officials in these Southeastern Caribbean states.⁸⁶ Drug trafficking organizations have large amounts of money (especially foreign currency) at their disposal which can overshadow the limited resources available to the state to pay their agricultural workers, police, customs officers, officials and policy

⁸³ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 97.

⁸⁴ Brooke J. Taylor, "Caribbean Drug Trafficking and the Western Hemisphere," SCRIBD, <http://www.scribd.com/doc/73163901/Caribbean-Drug-Trafficking-and-the-Western-Hemisphere> (accessed April 22, 2011).

⁸⁵ U.S. General Accounting Office, "Drug Control: Observations on U.S. Interdiction in the Caribbean, 1996," <http://www.gao.gov/archive/1996/ns96171t.pdf> (accessed April 22, 2011).

⁸⁶ Michael W. Collier, "The Effects of Political Corruption on Caribbean Development," Paper presented at the annual conference for the Caribbean Studies Association, Nassau, Bahamas, May 27 to June 2, 2002.

makers. The international community also has a great influence on the economic volition of the region. The United States and Europe bring much needed aid and resources to the region, especially by the way of economic development. Unfortunately, this means that frequently it is the US or European agenda that is catered to rather than the needs of the Caribbean states. An example of this and its profound influence on Caribbean development and drug trafficking was seen after the infamous Banana Trade Wars of the 1970s and 1980s.

Additionally, the United States and the European Community vigorously fought the banana trade war for over six years.⁸⁷ This dispute resulted from complaints by the United States and four other Latin American countries, that the European Community was using its banana regime to protect its ex-colonies to the detriment of the Latin American banana producing countries.⁸⁸ The European Community countered with the argument that this regime was necessary to stabilize the struggling economies of these smaller nations since the alternative for many is the production of drugs.⁸⁹ The United States attempted to put an end to the escalating tensions by threatening to impose tariffs of up to 100% on selected European Community goods if the regime was not changed. Caught in the middle of the conflict, the small Caribbean nations stood to suffer increased economic hardship when the banana regime was abolished.⁹⁰ This situation caused

⁸⁷ Michelle Williams, Caribbean Shiprider Agreements: Sunk by Banana Trade War? *The University of Miami Inter-American Law Review* 31, no.1 (Spring 2000): 163-170, <http://www.jstor.org/stable/40166420> (accessed April 22, 2011).

⁸⁸ Ibid.

⁸⁹ Ibid.

⁹⁰ Ibid.

implications because so many citizens of the Caribbean, especially smaller islands like St. Vincent, St. Lucia, relied on the banana industry to supply their basic needs such as food, shelter and education. Many of these nations' banana farmers have turned to drug production out of necessity.⁹¹

Normative Assumptions

This research assumes that drug trafficking is in fact a major problem for the Caribbean region, and its proliferation is the foundational origins of many of the social, political and economic problems challenging many Caribbean states. Drug trafficking in the region has become a large part of the discussion of development in the post independence era. That period has been one of considerable metamorphosis for the Caribbean states. Independence meant that there would no longer be the safety net of the colonial metropole to aid in the development of the Caribbean states. Each nation would be left on its own to manage and amass its own resources.

As a researcher I cannot discuss any element of Caribbean development without examining the effects of the plantation economy and the legacies that it has in the Caribbean state. Individual Caribbean states from the poorest like Haiti to some of the more affluent such as Trinidad have faced challenges competing in the globalized arena in these modern times. The mirroring of legitimate and illegitimate trade, and the undermining of the state by illegitimate trade such as drug trafficking operations, is a primary example of the challenge these Caribbean states have with earning accumulation and management of resources.

⁹¹ Ibid.

This research also makes the assumption, that it is in fact the drivers of competitive and comparative advantage along with greed that propel the proliferation of drug trafficking in the Caribbean region. The importance of more state-driven nuanced variables, such as citizen's faith in the police department and government will be acknowledged.

Limitations of the Study

Admittedly, a number of limitations challenged this project but none undermined the integrity and the contribution of the research. One of the key limitations of this study was that the illegal nature of drug trafficking and production, made it difficult to measure accurately the level of drug trafficking and production in the Southeastern Caribbean region. The researcher of this study believes that interviews and primary data research at the regions' top anti-narcotic organizations will be most useful in establishing legitimate numbers on seizures and projected transshipment and production calculations.

Another limitation emerged as a result of the assumption that drug trafficking is still in fact a major threat to the Caribbean state. More specifically, in a 2010 White House report on cocaine smuggling, it was cited that the volume of cocaine documented transiting the Caribbean decreased in 2010 , in keeping with the overall decrease in cocaine movement toward the United States the highest consuming state.⁹² The relative share of cocaine flow toward the United States through the Caribbean, however, increased from 28 percent in 2009 to 42 percent in 2010.⁹³ Also, there are emerging

⁹² U.S. Office of National Drug Control Policy, "*Cocaine Smuggling in 2010*," http://www.whitehouse.gov/sites/default/files/ondcp/international-partnerships-content/20_january_cocaine_smuggling_in_2010_for_posting_on_ondcp_webpage_2.pdf (accessed June 7, 2012).

⁹³ Ibid.

reports from the region's leaders and the island state news outlets show that drug trafficking remains a severe and growing problem.⁹⁴ This is especially apparent as the drug trafficking and production in Mexico and Central America have come under severe attack from U.S. interdiction efforts, even though U.S. and European interdiction efforts in the Caribbean are in fact decreasing under the struggling economic environment.

When conducting this research I also considered the limitations of time and resources. Due to this limitation, I was not able to use the Commonwealth of Dominica as a case study. Another challenge emerged as access to reports and interview subjects were more readily available for Trinidad and Tobago than St. Vincent and the Grenadines. This created parameters for the comparison between Trinidad and Tobago and St. Vincent and the Grenadines considering the implications of this comparative framework of my research.

Purpose of the Study

The growth in drug trafficking is the source of a number of socio-economic and political problems in the region including increased violence, murder rates, drug abuse, decreased tourism revenue, bureaucratic inefficiency and institutional corruption.⁹⁵ While the larger and more prominent Caribbean islands like Jamaica and Trinidad and Tobago, experience a greater share of the problems, the smaller islands of the Eastern Caribbean are rapidly absorbing the consequences of drug trafficking. In smaller Caribbean islands like St Kitts and Nevis, St. Vincent and the Grenadines and St. Lucia

⁹⁴ Randal C. Archibald, "Trinidad and Tobago Declares Emergency Over Drug Crimes," The New York Times, <http://www.nytimes.com/2011/08/25/world/americas/25trinidad.html> (accessed June 29, 2012).

⁹⁵ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 159.

there have been increased incidences of murder, robbery, teen violence and larceny among other crimes.⁹⁶ Corruption caused by the illicit drug trade is an emerging theme in the region. It is also a major obstacle to effective drug control. Drug traffickers use their financial leverage fueled by the multi million-dollar drug market to penetrate and suborn law enforcement units and institutions of justice.⁹⁷

To effectively examine drug trafficking and the major challenges that it poses to Caribbean development, the analysis of this research was conducted using a Caribbeanist political economy perspective. This analysis offered insight not only into its proliferation in the region, but also the political and economic origins associated with its proliferation. After conducting an extant review of the literature, where very few scholars conducted an analysis of the comparative and competitive advantages of drug trafficking, As a researcher I took advantage of this gap to explore the major challenges facing the Caribbean region It is this researcher's objective to enlighten readers, students and scholars of the Caribbean, especially those in the fields of political economy, international relations and comparative politics regarding this problem. This research could also be of great interest to policy makers and international organizations mandated with the task of fighting drug trafficking organizations in the region.

⁹⁶ Curtis Ward, "*Regional Threats: Security Capacity Imperatives in the Caribbean*," National Defense University Press, <http://www.ndu.edu/press/regional-threats.html> (accessed April 1, 2011).

⁹⁷ Ibid.

Organization of the Study

This research was organized into seven chapters. Chapter I includes (1) an introduction to the study, (2) an examination of the importance of the proposed study, (3) the statement of the problem, (4) the research questions guiding the investigation, (5) the major concepts and variables, (6) the methodological approach employed within the investigation, (7) an overview of the theoretical framework that will direct the research, (8) normative assumptions and limitations and finally (9) purpose of the study. Chapter II consists of the literature review, which provides an overview of literature on Caribbean development and the development of Drug trade activities in the Caribbean region. Also discussed is a synopsis of the prevailing themes of crime, development and drug trafficking in the Southeast Caribbean region. This chapter includes an analysis of selected publications from a number of governmental and non-governmental agencies in the United States, Europe, Trinidad and Tobago, and St. Vincent and the Grenadines. Publications by intergovernmental organizations such as the United Nations, United Nations Drug Program and the World Bank would also be considered. Additionally, literature produced by scholars in international relations, Caribbean and Latin American studies, economics, history and security were discussed. Chapter III summarizes and emphasizes the qualitative data and analysis of the comparative and competitive advantages in drug trafficking operations in Trinidad and Tobago and St. Vincent and the Grenadines. This chapter also discusses the evaluation of strong and weak states and on the demographics and comparative and competitive advantages in DTPOs. Chapter IV includes the research findings and data analysis from the interviews conducted in Trinidad and Tobago. Chapter V discusses the research findings and data analysis from

the interviews conducted in Trinidad and Tobago. Chapter VI includes the predictions and implications that the research has for the future of drug trafficking in the region. This final chapter ties together the information produced in the previous four chapters, incorporating an analysis of the data and summary of the findings, recommendations, the potential implications of the study and implications for future research.

CHAPTER II

LITERATURE REVIEW

Overview

This chapter presents the major scholarly material largely accepted as an explanation of the progression of drug trafficking operations, and the major challenges that these operations pose to the Southeastern Caribbean region. The literature explored includes a concise analysis of Caribbean development since the Second World War, the challenges associated with and created from the trajectory of post-war development, as well as the major trends and historical development of the growth of drug trafficking in the region. A survey of major works on the effects associated with drug trafficking operations in the region is presented. This literature review also discusses materials which include, but are not limited to the works of Caribbean political economist and security expert Ivelaw Griffith; historians Jan Rogozinski and Bridget Brereton; foundational Caribbean development theory as produced by Sir Arthur Lewis, Lloyd Best and William Demas; in addition to political scientists Anthony Harriot, Brian Meeks, Axel Klein, Marcus Day and Cynthia Mahabir.

In consideration of the limited time and scope to effectively explore the literature for this study, the research focused on the post-World War II development of the Caribbean. In the aftermath of World War II the Caribbean economy faced a decisive

turning point.¹ The population and labor force were growing, but in the absence of fundamental agrarian reform, growth could not be sustained by agriculture. During that time, all of the Commonwealth Caribbean states were still colonies and remained so until the more populous territories became independent in the 1960s.² Inevitably, this process created expectations on the part of the various masses that economic, social and political improvements would also follow. This literature review examined the expected economic improvements and their eventual shortcomings; making linkages to the increase in drug trafficking and the remnants left behind by past Caribbean historical events which still threaten Caribbean security and political integrity.³ As some of the challenges of regional development are identified, the analysis of how drug trafficking developed as an alternative to legitimate trade and employment for the citizens of the Caribbean states becomes more apparent.

Caribbean Development and Foundations

The West Indian plantation economy began to approach its demise in the aftermath of World War I amidst a global economic environment where supply potential was increasing more than demand.⁴ Changes in global consumption and industry due to the war, and technological advancements, brought a big reduction in the costs of

¹ Franklin W. Knight and Colin A. Palmer, *The Modern Caribbean* (North Carolina, USA: The University of North Carolina Press, 1989), 243.

² Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 2.

³ Ibid.

⁴ Franklin W. Knight and Colin A. Palmer, *The Modern Caribbean* (North Carolina, USA: The University of North Carolina Press, 1989), 237.

production which enabled the sugar industry to supply a steadily increasing quantity at a falling price.⁵ In this political and economic environment, development became the leading concern for regional states. What the Caribbean region needed was a strategy to deal with employment and underemployment, and create viable sustainable development.⁶ Much of this development was proposed through diversification of the state's national economies and by overcoming the traditional Caribbean problem of dependence on agriculture, especially the limited sugar monoculture.⁷ During this period, the most widely attempted methods of diversification included manufacturing and tourism. This transition also gave birth to the political and economic progression and developmental understanding of the region. Hence, this literature review discusses these progression undertakings as theorized through the plantation economy school of thought and through attempts at integration.

The plantation economy school of thought, sought to explain the functioning of the Caribbean economy based on the plantation. The plantation economy literature was influenced by the notion of Charles Wagley's "Plantation America" which encompassed the Southern U.S. states, northeastern Brazil and the pockets of slavery throughout, North, South and Central America, in addition to the Caribbean.⁸ The plantation economy

⁵ Ibid.

⁶ Ibid., 239.

⁷ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 3.

⁸ Richard S. Hillman and Thomas D'Agostino, *Understanding the Contemporary Caribbean* (Kingston, Jamaica: Ian Randle, 2003), 131.

school hypothesized that the original (slave) plantation economies of the Caribbean had been given a legacy of non-dynamic responses to changes in the external world economic environment. This legacy was not only persistent in the traditional agricultural sectors that still exist (especially sugarcane production) but also evident in other sectors, notably minerals, manufacturing, and services.⁹ These early insights grew into a whole school of thought characterized by Wagley's theory of plantation economy. Initially developed by Lloyd Best, in collaboration with Canadian economist Karl Levitt, the theory consisted of an historical and structural analysis of the development of the plantation economy in the Caribbean from the seventeenth century to the post- 1945 era.¹⁰ Whilst conceding the achievement of economic growth during the 1950s and 1960s, Best argued that many of the classic features of a pure plantation economy were replicated in this modern period.¹¹ Like the Latin American dependency writers, Best took the view that the transnational corporations, which had come to play a growing role in the Caribbean economy since the end of the Second World War, served just as effectively to integrate the region into the metropolitan economic system as had the joint-stock trading companies of a former era.¹²

Wagley's theory of the plantation identified that successes of other plantation economies such as the U.S. had found triumph through integration into more complex

⁹ Ibid., 132.

¹⁰ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 6.

¹¹ Lloyd Best, "A Model of Pure Plantation Economy," *Social and Economic Studies* 17, no.3 (September 1968): 283-300; Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 6.

¹² Ibid.

economic systems manufacturing and scientific and technological development.¹³ During the post-independence era, the region looked for a means of providing the necessary new employment and more sustainable and dynamic ways of development including the development of a manufacturing industry. The theoretical insights underlying the push towards manufacturing were provided by Sir Arthur Lewis, the St. Lucian economist and Noble Laureate, in two articles published in *The Caribbean Economic Review* in December 1949 and May 1950, and subsequently reprinted in pamphlet form in 1951.¹⁴ Lewis' thesis began with a consideration of the region's longstanding role as a producer of primary commodities, but immediately departed from the traditional colonial perspective by demonstrating that agriculture was already unable to support the growing population of the islands and indeed could be made more efficient only if the numbers engaged in it were drastically reduced.¹⁵ Contrary to common belief, he did not see industrialization as an alternative to agriculture, but rather as an essential part of a program for agricultural improvement which, by providing new jobs, would take surplus labor off the land. From this point of departure, he set out a policy of industrialization for

¹³ Richard S. Hillman and Thomas D'Agostino, *Understanding the Contemporary Caribbean* (Kingston, Jamaica: Ian Randle, 2003), 131.

¹⁴ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 2; Franklin W. Knight and Colin A. Palmer, *The Modern Caribbean* (North Carolina, USA: The University of North Carolina Press, 1989), 243.

¹⁵ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 2.

the Commonwealth Caribbean designed to overcome the dual problems of resources and markets.¹⁶

In reality, the region was experiencing a shortage of capital, industrial power was expensive, and the available raw material base, limited; however, one advantage that it created was low wage rates measured by the standards of the developed world. This meant that many of the industries which the islands could establish in a fairly inexpensive way were thus based not on the use of local raw materials but on the processing of imported inputs.¹⁷ As for markets for these products, the fact that the territories individually were too poor and too small necessitated the establishment of regional customs unions as an essential prelude to any vigorous policy of industrialization.¹⁸ The industries that were set up produced few jobs and were often inerrant in their commitment to the Caribbean. Often it was deemed more profitable, once the incentive plan had expired, to move their operations to other locales offering a new package in incentives.¹⁹

Tourism was another new enterprise that the Caribbean shifted to in the 1950s and 1960s. In some territories, tourism emerged as a much more sort after method of

¹⁶ Ibid.

¹⁷ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 2; Jean Grugel, *Politics and Development in the Caribbean Basin: Central America and the Caribbean in the New World Order* (Bloomington, Indianapolis: Indiana University Press, 1995), 161-162

¹⁸ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 2.

¹⁹ Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 44.

development than even manufacturing.²⁰ This was especially the case after the Cuban revolution in 1959 which took out of the market one hitherto favored tourist destination.²¹ Jamaica, Barbados and the Bahamas all moved to develop the necessary infrastructure and policies to widen their tourist appeal, to the point where tourist income soon became critical to their economic stability.²² However, the trouble with tourist development was that it was extremely vulnerable to recession in the developed economies and to bad publicity, violence and crime in the Caribbean states.²³ In the particular case of the Caribbean, where the tourism industry was directed to a particularly affluent sector of North American and European society, it was able to compete only by maintaining the highest standards of accommodation and hospitality. This meant that foreign capital and foreign imports, underwrote the tourist industry; thus producing the diseconomies of inflated import bills and extensive profit repatriation. Therefore, to a considerable extent, the industry became an exclave within the Caribbean economy, having few linkages with and contributing little to, the development of other sectors.²⁴

²⁰ Richard S. Hillman and Thomas D'Agostino, *Understanding the Contemporary Caribbean* (Kingston, Jamaica: Lynne Rienner Publishers, 2003), 133; B.W. Higman, *A Concise History of the Caribbean* (New York, NY: Cambridge University Press, 2011), 300.

²¹ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 5.

²² B.W. Higman, *A Concise History of the Caribbean* (New York, NY: Cambridge University Press, 2011), 300.

²³ Ibid.

²⁴ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 5.

In the 1950s and 1960s did see some economic growth achieved in the region.²⁵ For example, the expansion of raw materials extraction sectors of the regions' larger territories, increased the governments' ability to employ labor, contributing to marked growth. Industry such as bauxite in Jamaica and Guyana and petroleum in Trinidad and Tobago emerged.²⁶ During this time, several territories notably Jamaica and Trinidad and Tobago but also the Bahamas, grew at an annual rate about 5 percent, which is, conventionally speaking, good economic performance.²⁷ What was less certain was whether the regional economy had been shifted to a new level of development as a result.

In an original and highly influential analysis of the condition of the Caribbean economy published in 1965, William Demas, then the head of the Economic Planning Division of the Trinidad government (later he became head of the Caribbean Development Bank), pointed to two important weaknesses in the post-war pattern of economic growth in the Commonwealth Caribbean region.²⁸ Demas argued that the critical constraint upon the development prospects of the Caribbean economies was their small size, defined in terms of both land area and population. The smallness of the domestic market he reasoned imposed sharp limits on the process of import-

²⁵ Ibid.

²⁶ Franklin W. Knight and Colin A. Palmer, *The Modern Caribbean* (North Carolina, USA: The University of North Carolina Press, 1989), 247.

²⁷ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 5.

²⁸ Ibid., 6.

substitution.²⁹ Demas' argument became the catalyst for the idea, that for small Caribbean islands the path of development could most satisfactorily be secured by regional economic integration.

Integration would not only eliminate excess capacity in the existing manufacturing industry but also stimulate investment in new industries which could become economically feasible for the first time in the Commonwealth Caribbean on the basis of the expanded market. The answer to this challenge was the Caribbean Free Trade Association (CARIFTA), which, when founded in 1965 by Antigua Barbuda, Barbados, Guyana, and Trinidad and Tobago was modeled directly on Demas' analysis.³⁰ From the outset, the new regime liberalized the great bulk of intra-regional trade, thereby extending the size of the 'home' market for the region's various light industries. In practice, this did not work as the Caribbean economies had in effect become competitor economies: they produced broadly the same commodities, they wanted to attract the same foreign investors, and they appealed to the same would-be tourists. Thus, there was no easy route to development to be found simply by making a regional connection.³¹

Moreover, the need for a Caribbeanist developmental framework was required during this pivotal period in Caribbean history. Consequently, scholars such as Sir Arthur

²⁹ Ibid.

³⁰ "The Caribbean Free Trade Association (Carifta)," Caribbean Community (CARICOM) Secretariat, <http://www.caricom.org/jsp/community/carifta.jsp?menu=community> (accessed June 20, 2012); Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 6.

³¹ Anthony Payne and Paul Sutton, *Charting Caribbean Development* (Florida, USA: University Press of Florida, 2001), 6.

Lewis and Lloyd Best acknowledged this need and created the theoretical underpinnings for our understanding of the region today. Hence, any present study on the region's drug proliferation should utilize these scholars work as the foundation by which one can understand how and why this problem has affected the region in such a profound way. The developmental history of the region after independence further enriches the understanding of the region's developmental path.

Independence/Post-Independence Era

Political scientist Neville Duncan identified the post-independence era as the major transition point for the region's modern development. Duncan points out that between 1975 and 1984, Dominica, St. Lucia, St. Vincent and the Grenadines, Belize, Antigua and Barbuda, and St. Kitts-Nevis each obtained formal independence. Barbados had secured its independence back in 1966 and Grenada, after stormy internal protests, followed in 1974.³² Duncan noted that regardless of its size or extent of its economic and security problems; upon independence each colony was offered the "princely" sum of five million pounds sterling as a grant and a similar amount as a loan.³³ The inadequacy of this British aid, which was not development-oriented, virtually guaranteed that these states would become weak sub-systems in the international order, and/or more dependent on economic penetration and dominance - a process initiated and sponsored by the British government during colonial rule. Britain's own rapid decline from being a major pre-war

³² Jorge Rodriguez Beruff, J. Peter Figueroa and J. Edward Greene, *Conflict, Peace and Development in the Caribbean* (London, England: Macmillan, 1991), 242.

³³ Ibid.

actor on the world scene did not offer much hope of it being an effective security umbrella for its former colony states. This post-independence era would prove most difficult for the region and its social, political and economic development.³⁴

Additionally, Leslie Manigat in *Caribbean and World Politics Cross Currents and Cleavages*, considers the profound effects of the international community on Caribbean development in the post-independence era. Manigat also discusses the effects of the global oil crises in 1971 to 1973 and again in 1979, as important evolutionary points for the Caribbean region. During this time, Trinidad exported significant amounts of petroleum, and celebrated a decade of prosperity as a per capita income increase of 55 percent was experienced between 1970 and 1980.³⁵ This boom abruptly ended in 1982, when world oil prices fell sharply while oil reserves began to run out. This caused unemployment to soar, and per capita income was cut in half.³⁶ The Caribbean countries were particularly affected by the global recession of the 1970s and 1980s because of their structural dependence on outside forces for economic growth and development.³⁷

³⁴ Ibid.

³⁵ Jorge Heine and Leslie Manigat, *The Caribbean and World Politics Cross Currents and Cleavages* (New York, NY: Holmes and Meier Publishing, 1988), 29; Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 325.

³⁶ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 325.

³⁷ Jorge Heine and Leslie Manigat, *The Caribbean and World Politics Cross Currents and Cleavages* (New York, NY: Holmes and Meier Publishing, 1988), 29; Alvin O Thompson, *The Haunting Past: Politics, Economics and Race in Caribbean Life* (Kingston, Jamaica: Ian Randle Publishers, 1997), 169.

Many Caribbean countries were forced to seek funds to assist them from international agencies.³⁸

This borrowing exposed these countries to further influence from the international community which became more involved in the region's economic developmental trajectory.³⁹ This new drive towards development often led to persistent overvaluation of exchange rates, encouraging consumption and imports at the expense of exports. Meanwhile, private foreign investment fell from the end of the 1980s.⁴⁰ At this time, the U.S. and other governments cut back much of their foreign aid as the cold war ended. Despite their economic problems, many Caribbean nations were better off than the former communist countries in Eastern Europe. Public debt continued to swell while foreign investment and assistance plummeted. Ultimately, island governments did not have enough funds to finance imports and to make the payments due on their accumulated debt. To remain solvent, the four largest Anglophone nations borrowed from the International Monetary Fund and the World Bank.⁴¹

Additionally, the multinational organizations attached stringent conditions to their loans. To obtain assistance, island leaders agreed to reduce government spending by cutting welfare, employing fewer persons, and paying lower wages. They pledged to

³⁸ Alvin O Thompson, *The Haunting Past: Politics, Economics and Race in Caribbean Life* (Kingston, Jamaica: Ian Randle Publishers, 1997), 169.

³⁹ Ibid.

⁴⁰ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 326.

⁴¹ Ibid.

abolish government trading monopolies and to sell government-owned companies. Island governments also promised to stop protecting local industries; thus they agreed both to lower tariffs on imports and to lower the value of their currencies in relation to the U.S. dollar.⁴² These reforms were intended to make both governments and private companies more efficient. It was conceived that after they sold state-owned corporations to private owners, governments could devote themselves to public activities, such as education and road maintenance. Cutting taxes would make more resources available for local businesses.⁴³ Lower tariffs would subject them to international competition, while devaluing the currency would increase exports. These policies imposed burdens on less affluent islanders. Government welfare programs were cut, unemployment increased, and currency devaluations led to higher prices for consumer goods. Jamaica, Trinidad, Barbados, and the Bahamas all suffered from flat economies throughout the 1990s. Because of slow growth, governments kept taxes high to make interest payments on their accumulated debt.⁴⁴

Samuel Itam of the International Monetary Fund asserts that Caribbean countries did make some progress in their economic development, but production and exports are still relatively concentrated on a few activities. Agriculture and mining remain important in many countries, but the structure of production has begun to shift more heavily toward

⁴²Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 326, and Alvin O Thompson, *The Haunting Past: Politics, Economics and Race in Caribbean Life* (Kingston, Jamaica: Ian Randle Publishers, 1997), 168.

⁴³ Alvin O Thompson, *The Haunting Past: Politics, Economics and Race in Caribbean Life* (Kingston, Jamaica: Ian Randle Publishers, 1997), 168.

⁴⁴ Ibid.

services. While the number of tourists to the Caribbean has grown in the latter part of the 1990s, growth in tourist receipts has not kept pace with nominal GDP. Growth in the sector has been adversely affected in part by natural disasters in the last few years. The market share of the English-speaking countries within the broader Caribbean region has been falling in the 1990s.⁴⁵

Most countries in the region have very open economies. The principal destinations for the region's exports include the United States, Europe, and other CARICOM countries. Export production is concentrated on a few items: raw materials—particularly minerals—and agricultural crops. Imports consist mainly of manufactures, especially consumer goods.⁴⁶ This is a total opposite from the days when sugar and cocoa were the main export goods. The region's agricultural exports are characterized by high production costs and have traditionally been sold in protected markets. Caribbean countries have traditionally relied heavily on a system of preferential access to markets for commodities such as bananas and sugar. Most of the countries have large and persistent trade and current account deficits, despite significant current transfers and remittances in some cases. These deficits, however, have been financed by private capital inflows (including foreign direct investment and commercial borrowing) and, to some extent, official grants.⁴⁷

⁴⁵ Samuel Itam, *Developments and Challenges in the Caribbean Region*, (Washington, DC: International Monetary Fund, 2000).

⁴⁶ Ibid.

⁴⁷ Ibid.

Additionally, the commitment to a fixed exchange rate by many of the small island economies in the region has been a key factor in creating a stable macroeconomic framework and in keeping inflation close to international levels. In recent years, many Caribbean countries have successfully reduced inflation to single-digit rates. Conversely, there has been a general trend toward appreciation in the value of the U.S. dollar vis-à-vis other major currencies.⁴⁸

The banking sector in the region is relatively well developed, compared to other developing countries and has found some developmental success in recent years through offering financial services to foreign nationals.⁴⁹ In the article *The Role of the Regulator in Combating Financial Crimes – A Caribbean Perspective* Financial Services Commission Jamaica, Ingrid Pusey of financial services Jamaica, identifies the ways in which the regions' banking system is still quite vulnerable, as modern conditions such as improved technology, the ease and speed in the cross border transfer of funds, liberalization, innovation in financial products, the growth of international conglomerates and the growth of organized crimes make financial markets now more than ever vulnerable to the ill effects of financial crimes.⁵⁰

Despite the successes in the 1980s and 1990s in reforming their economies and broadly satisfactory economic performance, Caribbean countries remain vulnerable in a

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ Ingrid Pusey, "The Role of the Regulator in Combating Financial Crimes – A Caribbean Perspective Financial Services Commission Jamaica," *Journal of Financial Crime* 14, no. 3 (2007): 301.

number of other ways other than financial.⁵¹ Due to the Caribbean islands relative openness and concentration on the production of a small range of products, exogenous changes in terms of trade can have significant effects on their fiscal and external positions. Also, many countries that rely on preferential trading arrangements for their exports are likely to be facing a progressive erosion of these preferences (example bananas in St. Vincent and the Grenadines). In addition, occasional natural disasters, such as hurricanes, have the potential to cause serious setbacks and damage for these countries and their infrastructure.⁵²

While the countries of the region have seen some economic growth and development in the past few decades, it can be strongly argued that the challenges associated with limited endowments, struggles for economic sustainability, high debt and vulnerable industries have set the stage for proliferation of DTPOs. These organizations are attracted by the combination of the region's geographic location between major supply and demand points of South America, North America and Europe, natural endowments of large amounts of arable land relative to the size of some countries, porous borders exacerbated by aggressive tourism industries and the economic need of the citizens to base their operations.⁵³

⁵¹ Samuel Itam, *Developments and Challenges in the Caribbean Region* (Washington, DC: International Monetary Fund, 2000).

⁵² Ibid.

⁵³ Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 44.

Development of Drug Trafficking in the Caribbean Region

A number of significant changes over past decades have set the parameters within which Caribbean countries have to operate to meet the challenges of a new international environment. For instance, Melissa Beale with the council of hemispheric affairs cites the 1970s as the dawning of the drug trafficking phenomenon in the Caribbean.⁵⁴ Since then, the tentacles of this multibillion-dollar illegal globalized industry has plagued the West Indian islands with expanding drug cartel ramifications originating in Central and South America, which then continues to make use of the islands as a channel to deliver supplies to high-demand markets in the United States and Europe.⁵⁵ Beale asserted that DTPOs in the Caribbean region has been a volatile phenomenon affected by changes in public policy, economic growth, changing interdiction efforts, foreign aid, demand in consumer states and supply chain transitions just to name a few. The 1980s and 1990s were peak times in the expansion and activities of Caribbean DTPOs. The volatile, illegal and monetarily fueled nature of DTPOs, coupled with increased interdiction rates in Mexico and Central America, produce an environment of constant threat of increased activity in the Caribbean region.⁵⁶

⁵⁴ Melissa, Beale, "*The Drug Trafficking Dilemma in the Caribbean*," HighBeam Research, <http://www.highbeam.com/doc/1P3-2611931121.html> (accessed January 31, 2012).

⁵⁵ Ibid.

⁵⁶ Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 44.

Historical Development

Political scientist and Caribbean security expert, Ivelaw Griffith describes the dynamic nature of DTPOs in the Caribbean. Griffith states that "the Drug Problem" in the Caribbean really is a multidimensional phenomenon with four problem areas: drug production, consumption and abuse, trafficking, and money laundering.⁵⁷ The drug phenomenon, however, does not constitute a security matter simply because of these four problem areas.⁵⁸ Griffith asserts instead, drug trade activities create a security threat because these operations have multiple consequences and implications - such as marked increases in crime, systemic and institutionalized corruption, and arms trafficking, among other challenges. Secondly, the operations and their consequences have increased in scope and gravity in the last few decades. They have dramatic impact on agents and agencies of national security and good governance, in military, political, and economic ways. Sovereignty is also under threat in many Caribbean countries and is subject to infringement by both state and non-state actors, because of drugs.⁵⁹ This examination of the major scholastic works tracing the development of drug trafficking in the Caribbean region shows the expanse of the impact that DTPOs have had on the region over the past few decades.

⁵⁷ Cynthia Barrow-Giles and Don D. Marshall, *Living at the Borderlines Issues in Caribbean Sovereignty and Development* (Kingston, Jamaica: Ian Randle Publishers, 2003), 212; Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 1.

⁵⁸ Ibid.

⁵⁹ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 1.

Historians Jan Rogozinski and Bridget Brereton both have written on Caribbean history. Rogozinski traces the development of drug trafficking operations in the Caribbean from the late 1960s, where shipments passed travelling North from South America. Money laundering, another illegitimate activity associated with Drug Trade activities, is the process of attributing a legal provenance to drug profits helped to build major off shore banking centers in the region, centers later used to aid the building of the DTPO infrastructure in the region.

During the 1990s, marijuana cultivation became widespread, replacing sugar and bananas as the largest cash crop on some islands (such as SVG).⁶⁰ Rogozinski affirms that during this same time Columbian drug dealers established independent trafficking networks between Columbia and South Florida. Conveniently located along this route, states like the Bahamas, Jamaica and Puerto Rico became major transit points for cocaine, hashish, and marijuana. During the latter part of the decade, anti-drug operations in South Florida forced dealers to develop new routes passing through the Eastern Caribbean.⁶¹

Geography

Scholars Ivelaw Griffith and Andres Serbín, cite the convenience of geographic location as a leading factor in making the Caribbean islands the center of the illegal drug

⁶⁰ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 281.

⁶¹ *Ibid.*, 282.

trade.⁶² The islands are a land bridge that links South America (the world's largest drug supplier) to the United States, Canada and Europe. Given the islands' continuing political and economic ties to Great Britain, France, and the Netherlands, not to mention their convenient location on the route to West Africa and Europe, the islands provide comparatively easy access to drug consumer markets in Europe.

Geography does appear to play an important role in the proliferation of drug trafficking in the region. In a 2002 report by the United Nations Office of Drugs and Crime, many of the trafficking patterns of the region were discussed. This report asserts that Puerto Rico has remained the largest hub for cocaine in the Caribbean.⁶³ Several routes converge in the Spanish-speaking American commonwealth as the cocaine flows to the island directly from South America, the Dominican Republic in the west or from the Eastern Caribbean islands in the east. About one-third of the cocaine flowing through the Caribbean ends up in Puerto Rico – and this percentage is slowly increasing.⁶⁴ Haiti, which was an important staging point for the transport of cocaine to the United States in the late 1990s, gradually lost importance due to the political turmoil during this time, and one can surmise that after the 2010 earthquake it lost even more. Political turmoil or natural disaster can create a large hindrance to business, including the drug business

⁶² Michael C. Desch, Jorge I Dominguez, and Andres Serbín, *From Pirates to Drug Lords: The Post-Cold War Caribbean Security Environment* (Albany, New York: State University of New York University press, 1998), 97; Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 27.

⁶³ UN Office of Drugs and Crime, “*Caribbean Drug Trends 2001 – 2002*,” www.unodc.org/pdf/barbados/caribbean_drug-trends_2001-2002.pdf (accessed April 20, 2012).

⁶⁴ Ibid.

which hinges on social and political stability in order to flourish.⁶⁵ While the Western and Central Caribbean have been inclined to service the American market, the Eastern and mainland Caribbean have been more prone to direct cocaine exports to Europe.⁶⁶

Furthermore, some of the Caribbean jurisdictions are closely linked to Europe and have limited barriers to trade with the European Union, thus making it easier to conceal cocaine within items of legitimate trade and commercial travel. Cocaine traffickers have exploited the combination of the proximity of production area and unrestricted access to the mainly borderless European Union to their advantage.⁶⁷

The central Caribbean corridor, running from Colombia to the Bahamas and then to the United States, has also been a popular Illegal DTPO drug route but has experienced a high degree of volatility as a result of divergent law enforcement efforts in the region.⁶⁸ Through cooperation with Jamaican traffickers, the Colombia-Jamaica-Bahamas-United States route was popularized during the late 1990s. In the early 2000s, the area again became a hot spot, now managed through a highly developed collaboration between Colombian and Jamaican traffickers. Consequently, interdiction efforts intensified and cocaine seizures in the area climbed, thus reducing the total amount of cocaine transiting

⁶⁵ Ibid.

⁶⁶ Richard S. Hillman and Thomas D'Agostino, *Understanding the Contemporary Caribbean* (Kingston, Jamaica: Lynne Rienner Publishers, 2003), 49.

⁶⁷ UN Office of Drugs and Crime, "Caribbean Drug Trends 2001 – 2002," www.unodc.org/pdf/barbados/caribbean_drug-trends_2001-2002.pdf (accessed April 20, 2012).

⁶⁸ Michael C. Desch, Jorge I Dominguez and Andres Serbín, *From Pirates to Drug Lords: The Post-Cold War Caribbean Security Environment* (Albany, New York: State University of New York University Press, 1998), 101.

this corridor.⁶⁹ The change in American security priorities after the terrorist attacks in Washington and New York left this corridor vulnerable once again. As a result, the year 2002 witnessed an increase in the flow of cocaine moving through the area, with a revival of some smuggling techniques similar to the simple methods of trafficking from the 1980s.⁷⁰

In terms of the structure of drug trade market in the Caribbean region the 2002 UNDOC drug trend report suggests that it operates more like free market with limited entry costs, rather than a monopoly.⁷¹ There is no region-wide organization that runs the Caribbean drug market, not even one for any single drug. There are also no signs to indicate the emergence of any regional organization that might aspire to claim a monopoly of the regional drug market.⁷² Instead, there are several unconnected markets and organizations operating in segmented markets. Most of the trafficking structures and networks could not exist and deliver without the collusion of people in government and private agencies in various positions and at all hierarchical levels: people in shipping companies, customs and immigration agencies, warehouses.⁷³ This dynamic creates high levels of government corruption, which coupled with an increased incidence of violence and volatility have placed the region in the foray that threatens not only its own

⁶⁹ UN Office of Drugs and Crime, “*Caribbean Drug Trends 2001 – 2002*,” www.unodc.org/pdf/barbados/caribbean_drug-trends_2001-2002.pdf (accessed April 20, 2012).

⁷⁰ Ibid.

⁷¹ Ibid.

⁷² Ibid.

⁷³ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 230.

development but also that of hemispheric power-states. This threat of drug trafficking, production, violence and criminal organizations has propelled the development of a regional security agenda and drug trafficking a number of national, regional and international drug interdiction efforts.

Drug Interdiction

The successes and failures of interdiction efforts against drug trafficking and production in the region have made key marks on the development of DTPOs in the Caribbean region. In his chapter on *The Political Economy of Drugs in the Caribbean*, Captain Richard Beardsworth discusses the transitions of drug interdiction efforts in the region and its effects on fluctuations in DTPO activities.⁷⁴ Captain Beardsworth explains that in the 1970s, maritime interdiction of drugs in the Caribbean was purely a unilateral effort on the part of the United States.⁷⁵ By the mid-1980s, the U.S. would only occasionally cooperate in bilateral efforts to interdict illegal narcotics. At the same time, these bilateral approaches were occurring, the U.S., the Bahamas, and the United Kingdom entered into the first, and highly successful, multilateral arrangement to interdict maritime shipments of narcotics in 1982. By the early 1990s, as a result of the 1988 United Nations Convention against Illicit Traffic in Narcotics Drugs and Psychotropic Substances, the U.S. and many of its Caribbean neighbors had begun to

⁷⁴ Ibid.

⁷⁵ Ibid.

enter into cooperative bilateral arrangements to interdict and disrupt maritime narco-trafficking.⁷⁶

As these bilateral arrangements were refined, exercised and formalized into agreements, the U.S. and Caribbean countries realized that cooperation could indeed be more effective against narco-trafficking. The first of these large multilateral efforts came in June of 1995, when the U.S. and the Netherlands, the United Kingdom and a few other countries joined together in a multilateral operation in the Eastern Caribbean dubbed Caribe Storm.⁷⁷ In June 1997, the Assembly of Caribbean Community Parliamentarians executed a successful, Caribbean-wide operation called Summer Storm the first of three successful Caribbean-wide efforts -- OPBAT, Caribe Venture and Summer Storm - these efforts illustrated how successful multilateral could be but also how costly. In his Chapter on *Living at the Borderlines: Issues in Caribbean Sovereignty* international relations, Professor Hilbourne Watson highlights some of these costs. In this work, Watson views modern national security strategies as involving a complex system of military, economic, political, territorial, and cultural forms of domination. In his opinion, many of the anti-drug interdiction efforts spearheaded by Europe and America were merely means utilized to dominate the Caribbean region.⁷⁸

⁷⁶ Ibid.

⁷⁷ Cynthia Barrow-Giles and Don D. Marshall, *Living at the Borderlines: Issues in Caribbean Sovereignty and Development* (Kingston, Jamaica: Ian Randle Publishers, 2003), 227.

⁷⁸ Ibid.

In addition, through his analysis of concords such as the Shiprider agreement, Watson argues that the successes and failures in preventing drug trafficking and production are not quite as impactful as the increased regional dominance via decreased Caribbean national sovereignty that these agreements give to the United States.⁷⁹ Under the Shiprider proposals, the United States presented a "Model Shiprider Agreement" to Caribbean states as a mechanism for counteracting maritime drug operations. Most of the Caribbean states, except Barbados and Jamaica, signed the Model Shiprider Agreement (MSA).⁸⁰ In the text *The Political Economy of Drugs in the Caribbean*, Trevor Munroe discusses how Barbados and Jamaica saw the MSA as setting a dangerous precedent by deepening the erosion of the territorial integrity and of state sovereignty; this agreement in effect accepted the right of the United States to enter the territorial waters and air space of the Caribbean states as well as provided blanket authorization for such incursions in pursuit of drug traffickers.⁸¹ The counter arguments of Caribbean leaders such as former Prime Minister of Trinidad and Tobago Basdeo Panday, argued that the DTPOs themselves constituted a more serious threat to the sovereignty of the Caribbean states than did the Shiprider agreements.⁸²

⁷⁹ Ibid.

⁸⁰ Ibid.

⁸¹ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 190.

⁸² Ibid., 190.

Even with the challenges and costs associated with drug interdiction efforts, most hemispheric states widely accepted the opinion that the countries in the Caribbean need assistance to cushion the impact of domestic and international challenges associated with DTPOs.⁸³ The fact remains that drug trafficking is viewed as a primary threat to citizen security and U.S. interests in Latin America and the Caribbean despite decades of anti-drug efforts by the United States and partner governments. The production and trafficking of popular illicit drugs—cocaine, marijuana, opiates, and methamphetamine—generate a multi-billion dollar black market in which criminal and terrorist organizations thrive.⁸⁴ These groups are capable of challenging state authority in source and transit countries where governments are often fragile and easily corrupted.

U.S. "War on Drugs" and Aid in the Region

While there has been assistance offered from both Europe and the U.S., due to the hegemonic relationship between North America and the Caribbean, the available literature does show an emphasis on analysis of the U.S.- Caribbean aid relationship. The development of the U.S. drug control programs in Latin America and the Caribbean were first authorized by the American Congress in the mid-1970s, coinciding with national

⁸³ Ibid., 190.

⁸⁴ Jean Grugel, *Politics and Development in the Caribbean Basin: Central America and the Caribbean in the New World Order* (Bloomington, Indianapolis: Indiana University Press, 1995), 185 and Mathew S. Jenner, "International Drug Trafficking: A Global Problem With a Domestic Solution," *Indiana Journal of Global Legal Studies* 18, no. 2 (Summer 2011): 902.

policy debates on the “war on drugs.”⁸⁵ At that time, U.S. assistance primarily focused on the drug source countries of Colombia, Bolivia, Peru, and later Mexico, with training and equipment to eradicate illicit drug crops and strengthen counternarcotics law enforcement capabilities.⁸⁶ U.S. aid to the region increased gradually, through the 1980s, with increased funding provided for interdiction efforts in transit countries, particularly the Caribbean and Eastern Pacific regions. Pressure for U.S. military involvement increased throughout the 1980s, as U.S. officials grew concerned that regional law enforcement personnel and interdiction efforts were not equipped to effectively combat well-armed drug cartels and operate in conflict situations in drug source countries.⁸⁷

In the 1980s and 1990s under Presidents Ronald Reagan and George H. W. Bush, the threat of international drug trafficking, particularly drugs sourced in Latin America, further emerged as a national security priority for the United States. In 1986, President Reagan issued National Security Decision Directive, and his administration declared the cocaine trade to be a security threat to the Americas and Western Hemisphere.⁸⁸ Drug

⁸⁵ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, “*Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*,” Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

⁸⁶ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, “*Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*,” Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010); Francisco E Thoumi, *Illegal Drugs, Economy, and Society in the Andes* (Baltimore, Maryland: Johns Hopkins University Press, 2003), 301.

⁸⁷ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, “*Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*,” Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

⁸⁸ Menno Vellinga, “The War on Drugs and Why it Cannot be Won,” *Journal of Third World Studies* 17, no. 2 (Fall 2000): 114.

Control moved to the top of the political agenda and was increasingly seen as a grave issue affecting the United States power and prestige in the region.⁸⁹

In 2000, counterdrug assistance to South America increased significantly after the Clinton Administration proposal, and Congress began funding, a multi-year assistance package to complement Colombian President Andrés Pastrana's counterdrug initiative, Plan Colombia.⁹⁰ That aid package, then called the Andean Counterdrug Initiative (ACI), aimed at providing a broad variety of counter-narcotic assistance—manual and aerial eradication, alternative development interdiction, as well as institutional capacity building and support to civilian and military institutions—for Colombia and six neighboring countries. Through ACI, Colombia, along with Peru and Bolivia, received the bulk of U.S. counterdrug aid to the region until Congress increased assistance for Mexico through the Mérida Initiative beginning in 2008.⁹¹

The Mérida Initiative was developed in response to the Calderón government's request for U.S. counterdrug cooperation and assistance. U.S. State Department-funded drug control assistance programs in the Western Hemisphere then went through a period of transition. Counterdrug assistance to Colombia and the Andean region declined, after record assistance levels that began with U.S. support for Plan Colombia in 2000.⁹²

⁸⁹Menno Vellinga, "The War on Drugs and Why it Cannot be Won," *Journal of Third World Studies* 17, no. 2 (Fall 2000): 114.

⁹⁰Clare Ribando Seelke, Liana Sun Wyler and June Beittel, "Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs," Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

⁹¹ Ibid.

⁹² Ibid.

Conversely, some of the anti-drug funding for Mexico, Central America, and the Caribbean has increased as a result of the Mérida Initiative. Two related programs that received initial funding were, the Central American Regional Security Initiative (CARSI) and the Caribbean Basin Security Initiative (CBSI) benefitted from this.⁹³ In 2009, President Obama launched the Caribbean Basin Security Initiative, which like our other initiatives, is a collaborative endeavor undertaken in partnership with various United States departments and agencies, as well as the nations in the region.⁹⁴

Changes in Production, Trafficking and Demand

Despite various efforts at drug interdiction and funding, multiple aspects of the drug supply chain take place in the region, including marijuana cultivation, drug production, drug trafficking, and ultimately, drug consumption. Today, South America is the major producer of cocaine for the global market; Mexico and Colombia are the primary sources of opiates in the United States; while Mexico and the Caribbean are major foreign sources of cannabis (marijuana) consumed in the United States.⁹⁵

Marijuana cultivation has played a pivotal role in the DTPOs in the Caribbean region and became more widespread during the 1990s. Belize and Jamaica once

⁹³ Ibid.

⁹⁴ William R. Brownfield, "Security Challenges in Latin America," Bureau of Public Affairs, <http://www.state.gov/j/inl/rls/rm/187097.htm> (accessed June 19, 2012).

⁹⁵ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, "Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs," Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

maintained the highest levels of production and export of marijuana.⁹⁶ In Jamaica, during the decade between 1980 and 1990, ganja is estimated to have brought in between 1 billion and 2 billion dollars in foreign currency, surpassing both tourism and all other exports.⁹⁷ Beginning in 1985, joint U.S.-Jamaican eradication programs cut production and forced growers to relocate in remote highland regions, such as the Blue Mountains. During the 1990s, marijuana flowed through the Bahamas, and Jamaica, while cocaine took the easterly route through the Dominican Republic, Puerto Rico, and the US Virgin Islands.⁹⁸ Aruba and the Netherlands Antilles also emerged as centers for major drug networks. As Jamaican exports fell, other Caribbean countries began growing marijuana. In his article on *Drugs and Criminal Justice in the Caribbean*, Ivelaw Griffith cites economic pressure, the lucrative drug market and the balloon effect of counter-measures in Jamaica, Belize and Latin America among the reasons that other Caribbean countries have taken to significant marijuana production and export.⁹⁹

Interestingly, *ganja* overtook bananas as the most lucrative export crop on the eastern Caribbean islands of St. Lucia, Dominica, Grenada, St. Kitts, and Montserrat (until the 1995 volcano eruption).¹⁰⁰ By the late 1990s, St. Vincent was second only to

⁹⁶ Ivelaw L. Griffith, "Drugs and Criminal Justice in the Caribbean," *Caribbean Quarterly* 42, no. 2/3 (June-September 1996): 82.

⁹⁷ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 282.

⁹⁸ Ibid.

⁹⁹ Ivelaw Griffith, "Drugs and Criminal Justice in the Caribbean," *Caribbean Quarterly* 42, no. 2/3 (June-September 1996): 73.

¹⁰⁰ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 282.

Jamaica in marijuana cultivation. Marijuana production also soared in Trinidad, Puerto Rico, Haiti, and the Dominican Republic as well as throughout the Bahamas chain.¹⁰¹ Among Caribbean countries, St. Vincent and the Grenadines boasts the most significant cannabis industry. Though smaller in size than the Jamaican export cultivation, the Vincentian industry plays the most significant role in relation to the overall size of the island's economy.¹⁰² In contrast to its neighbors, Barbados, St. Lucia and Grenada, St. Vincent's tourist sector is poorly developed. With the demise of the banana export, *ganja* planting remains one of the few openings for the youth. Initiated in the 1970s by young farmers who are now middle aged, cannabis production is the only field of rural activities recruiting the youth back onto the land.¹⁰³ Young farmers do not earn a high return over the production cycle, but can earn large amounts of cash when the harvest is sold.¹⁰⁴ Considerable quantities of Vincentian marijuana are exported to other parts of the Caribbean; as a result, the government is under significant pressure from regional neighbors and the U.S. to step up eradication efforts.¹⁰⁵

According to the *2010 and 2011 United Nations Office of Drugs and Crime World Drug Reports*, drug prices and demand for cocaine have seen much change over

¹⁰¹ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 282; Jessica Byron, "The Eastern Caribbean in the 1990s: New Security Challenges," *Caribbean Quarterly* 43, no. 3 (September 1997): 62.

¹⁰² Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Criminalization to Harm Reduction* (New York, NY: Zed Books, 2004), 224.

¹⁰³ Ibid.

¹⁰⁴ Ibid.

¹⁰⁵ Ibid.

the past few decades.¹⁰⁶ The lowest wholesale prices were to be found in Peru, the plurinational state of Bolivia, and Colombia. Prices of cocaine have on average been noticeably higher in the rest of South America and slightly higher in Central America and the Caribbean.¹⁰⁷ A clear markup in prices was also observed outside of Latin America and the Caribbean. Wholesale prices in West Africa have significantly higher, but lower than prices in Europe. The wholesale price in Spain have been significantly lower than the average in Europe, possibly reflecting Spain's role as a major point of entry for cocaine into the European market.¹⁰⁸ The markup from wholesale to retail price can be more clearly observed when typical prices are adjusted by typical purities. A comparison of prices in the producer countries and major consumer markets shows a markup of approximately 30 times between prices of coca derivatives in the plurinational state of Bolivia, Colombia and Peru and cocaine wholesale prices in the United States, while in the case of Europe the markup was up to 60 times.¹⁰⁹

Recent United Nations Office of Drugs and Crime World Drug Report (2011) also cite a decline in cocaine use in the United States, and increases in Europe, Asia and

¹⁰⁶ UN Office of Drugs and Crime, "*World Drug Report 2010*," http://www.unodc.org/documents/wdr/WDR_2010/World_Drug_Report_2010_lo-res.pdf (accessed April 20, 2012), and UN Office of Drugs and Crime, "*World Drug Report 2011*," www.unodc.org/documents/data.../WDR2011/WDR2011-ExSum.pdf (accessed April 20, 2012).

¹⁰⁷ UN Office of Drugs and Crime, "*World Drug Report 2011*," www.unodc.org/documents/data.../WDR2011/WDR2011-ExSum.pdf (accessed April 20, 2012).

¹⁰⁸ UN Office of Drugs and Crime, "*World Drug Report 2010*," http://www.unodc.org/documents/wdr/WDR_2010/World_Drug_Report_2010_lo-res.pdf (accessed April 20, 2012).

¹⁰⁹ Ibid.

Africa.¹¹⁰ Despite this, the report explains that the overall prevalence and number of cocaine users globally remain at stable levels. The estimated consumption of cocaine in terms of the quantity appears to have declined, which the report cites as mainly due to a decrease in the United States and low levels of per capita use in the emerging markets.¹¹¹ The most developed cocaine market outside of the Americas continues to be Europe, notably West and Central Europe. In 1998, demand in the United States was more than four times as high as in Europe, just over a decade later, the volume and value of the West and Central European cocaine market (US\$33 billion) is approaching parity with that of the U.S. (US\$37 billion).¹¹² However, the volume of cocaine consumed in Europe has doubled in the last decade, even though recent data shows signs of stabilization at the higher levels.¹¹³

A March 2007 Joint report between UNODC and the World Bank on drug trade trends, cites that 40 percent of the cocaine entering Europe transits the Caribbean. Canada also constitutes an alternative market, with a high level of cocaine use.¹¹⁴ In 2004, large (in excess of 100 g) seizures of cocaine were made entering into Canada from a number of countries in the Caribbean, including Jamaica, Trinidad and Tobago, the Netherlands

¹¹⁰ UN Office of Drugs and Crime, “*World Drug Report 2011*,” www.unodc.org/documents/data.../WDR2011/WDR2011-ExSum.pdf (accessed April 20, 2012).

¹¹¹ Ibid.

¹¹² Ibid.

¹¹³ Ibid.

¹¹⁴ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, “*Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007*,” http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

Antilles, Guyana, St. Vincent and the Grenadines, Haiti, St. Lucia, Grenada, Barbados, Suriname, and Dominica. Since 1993, the United States has become increasingly dependent on Colombian heroin. In terms of value per unit volume, heroin is worth more than cocaine, and thus it is still most commonly trafficked using couriers on commercial air flights. However, many large volume shipments have also been detected.¹¹⁵

In contrast, the report discusses the increasing transit and production of synthetic drugs in the Caribbean. The introduction of synthetic drugs such as methamphetamines and ecstasy, has changed the market for illegal narcotics in the United States, and possibly may be the reason for decreases in the demand for cocaine (as cited in the same report). For example, in 2005 approximately 259,338 ecstasy tablets were found in three abandoned bags seized at the airport in Puerto Playa, believed to have originated in the Netherlands and to be destined for the United States.¹¹⁶ The report also cites the discovery of an LSD lab on the Dutch side of St. Maarten. This was a relatively rare find for law enforcement anywhere in the world due to the difficulty of synthesizing the drug.

Despite recent reported shifts in drug trafficking to North America and Europe, the production and trafficking of illicit narcotics remain a continuing threat and there are few reasons to believe that the Caribbean will continue to be a key drug transshipment area.¹¹⁷ There are a few reasons emerging from the literature. The first is the geographical location and layout which make the Caribbean states attractive transshipment routes. The

¹¹⁵ Ibid.

¹¹⁶ Ibid.

¹¹⁷ Melissa, Beale, "*The Drug Trafficking Dilemma in the Caribbean*," HighBeam Research, <http://www.highbeam.com/doc/1P3-2611931121.html> (accessed January 31, 2012).

more than 700 islands, most of which are not inhabited and spread over 15,000 square miles, make it geospatially vulnerable to Trafficking Organizations.¹¹⁸ Secondly, the Caribbean has language, historical, commercial, and legal ties to some of the major consumer countries, including the massive tourism industry to regulate and detect illegal activities. The Caribbean Diaspora is key in domestic drug distribution in parts of North America and Europe. Expatriates from Europe and the United States living in the Caribbean further enhance this network. High levels of remittances from expatriate populations, as well as a large financial services industry provide cover for money laundering.¹¹⁹

Another important contributing factor that emerges as having a profound potential change in trafficking through the region is changes to the current major routes for Drug Trafficking from Latin America. For example, the main pathway today for illegal drugs entering the United States from abroad is through the Central America-Mexico corridor.¹²⁰ Traffickers appear to be using overland smuggling, littoral maritime trafficking, and short-distance aerial trafficking to transport cocaine from South America to Mexico. A large but unknown quantity of opiates, as well as foreign-produced marijuana and

¹¹⁸ Ibid.

¹¹⁹ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, *Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007*, http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

¹²⁰ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, *Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*, Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

methamphetamine, also flow through the same pathways.¹²¹ The overwhelming use of the Central America-Mexico corridor as a transit zone represents a major shift in trafficking routes. For example, in the 1980s and early 1990s, drugs were primarily transited through the Caribbean into South Florida.¹²²

The shift towards Mexico and Central America becoming the major transshipment corridor for the drug trade to the United States has historical foundations. Political economist Adam David Morton suggests that this transformation in cocaine's geographic center to Mexico is, in some measure, linked to the "war on drugs" conducted by the U.S. Drug Enforcement Administration against the Colombian cartels. This war on drugs brought down the major Colombian cartels just as they were at the height of their power in the 1980s and 1990.¹²³ The Colombian cartels controlled the cocaine trade and used extreme violence and coercion in conducting many of their affairs. The Mexican Drug cartels then embarked on a geographical restructuring and territorial subdivision of their cartel operations and took over from the Colombian cartels.¹²⁴

Consequently, the current levels of violence in the anti-drugs war in Mexico are startling: in 2005, a total of sixteen hundred murders were linked to organized crime; by early 2011, as many as thirty-five thousand people had died in the ongoing drugs war. The present drug-cartel conflict, initiated since President Felipe Calderón took office in

¹²¹ Ibid.

¹²² Ibid.

¹²³ David A. Morton, "Failed-State Status and the War on Drugs in Mexico," *Center for World Dialogue* 13, no. 1 (Winter 2011): 101.

¹²⁴ Ibid.

2006, has led to the deployment of fifty thousand Mexican troops and federal police in the field and ten thousand troops alone in Ciudad Juárez, known as “Mexico’s murder capital”.¹²⁵ The Drug Trafficking problem in Mexico is hitting a critical level, in 2007; the passage of the Mérida Initiative witnessed the announced funneling of \$1.4 billion in U.S. aid over three years to quell the rise in drug-related violence and trafficking.¹²⁶

The Mexican and U.S. governments have concentrated most of their financial focus on the Mexican cartels and their Latin American mainland routes, leaving the Caribbean vulnerable and offering a potential void for other Cartels to develop their market share and power. Consequently, countries like Venezuela has emerged as a major transit point for drug flights through the Caribbean.¹²⁷ The Caribbean-South Florida route continues to be active, and although it is currently less utilized than the Central America-Mexico route, the activity along this route may surge once more in the near future.

Furthermore, major changes in demand pose a threat to change existing routes for DTPOs. An increasing percentage of drug shipments from Latin America to Europe now transit West Africa.¹²⁸ Drugs destined for Europe mainly depart Latin America via Venezuela through the Caribbean or via the eastern coast of Brazil. In a 2011 drug trend UNODC report, Europe was acknowledged as having the second-largest cocaine

¹²⁵ Ibid., 94.

¹²⁶ Ibid.

¹²⁷ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, “*Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*,” Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

¹²⁸ Ibid.

consumption market after North America. However, the reported number of European users has been increasing over the last decade and has now stabilized, as the number of North American users has declined.¹²⁹

Consequently, these shifts in demand have also had an impact on the nature of transnational cocaine trafficking. The Colombian traffickers, who had largely been driven from the more lucrative portions of the supply chain to North America by the Mexican cartels, increasingly focused on the growing European market.¹³⁰ Traditionally, there have been several parallel streams of cocaine flowing into Europe. Commercial air couriers, sometimes directed by West African groups in the new millennium, have flown to Europe from various intermediate countries in the Caribbean. Colombian groups also made use of commercial air carriers, often in cooperation with groups from the Dominican Republic, with whom they have a long-standing relationship.¹³¹ Larger maritime consignments were often stored on board “mother ships” and transported to shore by smaller vessels. The primary maritime points of entry were Spain (due both to proximity and to cultural links) and the Netherlands (due to the large port of Rotterdam); these vessels typically transited the Caribbean.¹³²

¹²⁹ UN Office of Drugs and Crime, “*World Drug Report 2011*,” www.unodc.org/documents/data.../WDR2011/WDR2011-ExSum.pdf (accessed April 20, 2012).

¹³⁰ *Ibid.*, 121.

¹³¹ *Ibid.*

¹³² *Ibid.*

Changes in Caribbean Public Policy and Drug Trafficking

Director and co-editor of the Inter-American Dialogue, Daniel Erikson and Adam Minson assert that for a long time many Caribbean nations have taken pride in the strength of their political institutions and democratic traditions.¹³³ Of the 15 countries that make up the Caribbean community and Caricom (the Common Market), only three—Grenada, Haiti, and Suriname—have experienced unconstitutional changes in government or external military interventions.¹³⁴ In fact, most member countries have experienced peaceful transfers of power from ruling party to opposition and back again. During the last three decades, as much of the rest of Latin America shifted from military rule to democracy only to see democratic governments collapse under popular discontent; Caribbean democracies have remained comparatively stable and well functioning.¹³⁵ Yet in many of these countries, drug trafficking threatens the democratic stability and governmental legitimacy in a fundamental way. For example, corruption, drug addiction, and gang violence are all serious threats to the region. The examination of the literature on public policy within the region expands the understanding of the breadth and scope of DTPOs and the political tools with which the Caribbean states use to combat them.

In Ivelaw Griffith's chapter on Drugs and Crime and Public Policy in the text *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century*, he discusses the effects that DTPOs have on public policy in the region.

¹³³ Daniel P. Erikson and Adam Minson, "The Caribbean: Democracy Adrift," *Journal of Democracy* 16, no. 14 (October 2005): 159.

¹³⁴ Ibid.

¹³⁵ Ibid.

According to Griffith, DTPOs have multiple ripple effects in several policy areas including health, criminal justice, education, foreign policy, and economic policy.¹³⁶ Griffith also discusses exactly why policy-making and its implementation in relation to drugs in the Caribbean are challenging. This he asserts is partly because of resource limitations and the variety of social and economic costs involved in dealing with drug operations and its problems.¹³⁷ For example, among the costs, there are those related to controlling drug-related crime through education and treatment, those related to protecting private and government property through improved security measures, in addition to the costs stemming from enforcing drug laws, and prosecuting and punishing violators of those laws.¹³⁸

With regards to criminal justice, there is an obvious relationship between the drug phenomenon and crime.¹³⁹ The DTPOs are illegal and the operations themselves lead to or require other criminal conduct. Griffith suggests that there is no available evidence of region-wide casual linkages between drug activities on the one hand, and fraud, homicide, theft, and assault on the other. However, he makes few key observations that

¹³⁶ Jacqueline Anne Braveboy - Wagner and Dennis J. Gayle, *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century* (Boulder, Colorado: Westview Press, 1997), 137.

¹³⁷ Ibid.

¹³⁸ Ibid.

¹³⁹ Jacqueline Anne Braveboy - Wagner and Dennis J. Gayle, *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century* (Boulder, Colorado: Westview Press, 1997), 137; Ivelaw L. Griffith, "Drugs and Criminal Justice in the Caribbean," *Caribbean Quarterly* 42, no. 2/3 (June-September 1996): 78.

give credence to a strong DTPO crime linkage.¹⁴⁰ Griffith also notes that in Jamaica where there were 561 reported cases of murder in 1991, the Planning Institute of Jamaica indicated that "there was a 75 percent increase in the incidents of murder linked directly or indirectly to drug trafficking."¹⁴¹ Additionally, countries with high and progressive crime reports in the theft, homicide, and serious assault categories are the same ones that have featured prominently over the last decade as centers of drug activity, namely the Bahamas, the Dominican Republic, Jamaica, and Trinidad and Tobago.¹⁴² Illegal drug operations and the problems they generate have created the need for new and expanded drug units for intelligence and prosecution, as well as new and additional drug courts.

New and revised legislation have also become necessary to combat DTPOs. Examples of legislation passed are the Dangerous Drugs Act passed in Jamaica in 1987; the Narcotic and Drug Psychotropic Substances Act approved in Guyana in 1988; the Drug Abuse (Prevention and Control) Act adopted in Barbados in 1990; and Trinidad and Tobago's Dangerous Drug Act that became law in 1991. Antigua and Barbuda passed the Proceeds of Crime Act in April 1993; and a similarly titled law was passed in St. Lucia four months later.¹⁴³

¹⁴⁰ Jacqueline Anne Braveboy - Wagner and Dennis J. Gayle, *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century* (Boulder, Colorado: Westview Press, 1997), 137.

¹⁴¹ *Ibid.*, 138.

¹⁴² *Ibid.*

¹⁴³ *Ibid.*, 139.

Resource constraints limit the capacity of criminal justice agencies to execute their mandates meaningfully; they also cause considerable frustration among policy-makers as well as the line and staff personnel involved in the counter-narcotic battles.¹⁴⁴ Given the tough, often mandatory imprisonment sanctions in some of the counter-narcotics legislation in the region, successful drug arrests and prosecution create the need for more prison space, something that does not exist. Indeed, most Caribbean prisons are overcrowded; for example, in December of 1991 in Jamaica, the total inmate population of the adult correctional centers was 3705 about 33 percent above the official capacity of 2781.¹⁴⁵

There are significant differences in population, income levels, and cultural resources within the Caribbean.¹⁴⁶ However, while this is a fact, there are similarities as well. The most notable of these are the economic vulnerability of these countries, vulnerability derived from their small size, poverty, and economic fragility.¹⁴⁷ Trade is large in relation to GDP, and there is a high import content in production and

¹⁴⁴ Ibid.

¹⁴⁵ Ibid., 138.

¹⁴⁶ Richard S. Hillman and Thomas D'Agostino, *Understanding the Contemporary Caribbean* (Kingston, Jamaica: Ian Randle, 2003), 48 ; Jacqueline Anne. Braveboy - Wagner and Dennis J. Gayle, *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century* (Boulder, Colorado: Westview Press, 1997), 139.

¹⁴⁷ Jay R. Mandle, "An 'Argonauts' Strategy to Reduce Caribbean Economic Vulnerability," *Journal of Eastern Caribbean Studies* 36, no. 3 (September 2011): 2 ; Axel Klein, Marcus Day and Anthony Harriot, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 128.

consumption.¹⁴⁸ Moreover, there is a concentration on a narrow range of products for foreign exchange earnings, usually tourism or primary commodities, such as bananas, bauxite, and sugar. As a result, these countries are particularly vulnerable to external shocks attributable either to natural disasters, such as periodic hurricanes, or to abrupt changes in the international trading system.¹⁴⁹ Compton Bourne of the Caribbean Development Bank also cites high unemployment rates and low level of economic development as causes of further economic challenges for the region.¹⁵⁰ In this type of economy, the process of growth depends on capital inflows. Given the limited sources of export earnings and the fact that primary commodity exports are vulnerable to price and demand changes, the growth process is fragile.¹⁵¹ DTPOs directly threaten this fragile process in a number of ways.

Effects of Drug Trafficking in the Caribbean Region

No country in the Caribbean - independent or European possession island or mainland Belize, Guyana, Suriname, French Guiana, Puerto Rico and the U.S. Virgin islands - is spared the impact of illegal drugs.¹⁵² DTPOs have imprinted themselves on the countries of the Caribbean region in a variety of ways, the effects of which are

¹⁴⁸ Jacqueline Anne. Braveboy - Wagner and Dennis J. Gayle, *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century* (Boulder, Colorado: Westview Press, 1997), 139.

¹⁴⁹ Compton Bourne, "Small States in the Context of Global Change," *Journal of Eastern Caribbean Studies* 29, no. 3 (September 2004): 73.

¹⁵⁰ Ibid.

¹⁵¹ Ibid.

¹⁵² Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 99.

dynamic and interlinking in many aspects of the economic, political and social tapestry of the region. These effects include: corruption, crime and violence; the effects of drug trafficking on the tourism and agriculture industries; as well as the economic effects such as revenue accumulation and money laundering.

The negative impacts of the DTPOs to the region and its development are widely discussed in the literature on illicit narcotics and the state. Among the scholars to examine the issues are, Ivelaw Griffith who discusses the various offspring of DTPOs in the region, Professor William Vlcek who examines money laundering, Sir Ronald Sanders and Cynthia Mahabir who look at crime in the region.¹⁵³ Conversely, some scholars have discussed how DTPOs have brought additional income to Caribbean nations suffering from slow economic growth, dependency on foreign imports, high unemployment, and huge public debt (structural adjustment programs). Political economist Julia Buxton asserts that these discourses concern the thousands of workers that grow marijuana or work as drivers, enforcers, guards, or pushers, and the laundering receipts, give work to accountants, bankers, and lawyers. These are involved in the purchase of goods and services and supplying jobs for many others.¹⁵⁴ Historian Jan Rogozinski asserts that as part of the money-laundering process, drug money turns into

¹⁵³ William Vlcek, "Money Laundering Prevention and Small State Development: Insights from the Case of the Bahamas," *Commonwealth and Comparative Politics* 48, no. 3 (July 2010): 373-380; Ronald Sanders, "Crime in the Caribbean an Overwhelming Phenomenon," *The Roundtable* 92, no. 1 (July 2003): 377- 385; Cynthia Mahabir, *Crime and Nation-Building in the Caribbean* (Rochester, VT: Schenkman Publishers, 1985); Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 99-103.

¹⁵⁴ Julia Buxton, *The Political Economy of Narcotics Production, Consumption, and Global Markets* (New York, NY: Zed Books, 2006), 106.

capital for investment and provides importers with foreign currency. After they enter the legal economy, drug profits are subject to taxes on property, sales, and income.¹⁵⁵ Ivelaw Griffith identifies potential economic positives to not only be income generation and revenue enhancement but also employment, especially in those parts of the region where marijuana production is prevalent.¹⁵⁶

While not overlooking the threat of illicit narcotics, scholars Axel Klein and Ivelaw Griffith, suggest that drugs are too readily used as a scapegoat for all manner of social pathologies, at the risk of diverting the attention of policy makers and academics.¹⁵⁷ Furthermore, Colombian economist Francisco Thoumi agrees and would argue that the Colombian crisis is not the result of drug trafficking and production. Thoumi asserts that Colombia faces a crisis of state, civil society and the depletion of social capital. The drug economy is an expression of these weaknesses, and then becomes the aggravating factor - the danger being that, if the underlying causes are allowed to deteriorate, the drug nexus becomes a powerful and independent set of factors with its own dynamic. Drug control policies follow a similar trajectory, particularly if they

¹⁵⁵ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 282.

¹⁵⁶ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 17.

¹⁵⁷ Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 44; Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 1.

emphasize repression without understanding the root causes of the illegal drugs industry.¹⁵⁸

Conversely, murder, assault, and theft have skyrocketed on many islands that are the main centers of the drug trade. Caribbean drug dealers also traffic in weapons, and they are heavily armed. Organized gangs such as the Jamaican Shower Posse and the gang led by Trinidad's drug czar Dole Chadee, infamously branched out into kidnapping, robbery, prostitution and murder.¹⁵⁹ Most recently, scholars and policy-makers alike have observed the growing presence of an Eastern European element in the region. The Eastern European market commands the highest prices for cocaine and many other drugs.¹⁶⁰

Revenue from drugs has been offset by the increased costs of larger police and defense forces, which have ballooned along with the trade. As both a direct and indirect threat to national power, sovereignty and legitimacy, drug trafficking also inflicts damage indirectly.¹⁶¹ A more indirect than latent cost is the threat of the corruption of officials who use government institutions to shield their drug dealings. High-ranking members of government have been implicated in drug trafficking in the Bahamas, Jamaica, Trinidad,

¹⁵⁸ Francisco E. Thoumi, *Illegal Drugs, Economy, and Society in the Andes* (Baltimore, Maryland: Johns Hopkins University Press, 2003), 55; Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 44.

¹⁵⁹ Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 282.

¹⁶⁰ Ibid.

¹⁶¹ Jacqueline Anne. Braveboy - Wagner and Dennis J. Gayle, *Caribbean Public Policy: Regional, Cultural and Socioeconomic Issues for the 21st Century* (Boulder, Colorado: Westview Press, 1997), 137-139.

St. Lucia, and the Turks and Caicos Islands. In Antigua, the head of the army and a son of the prime minister were dismissed in 1989 after they supplied weapons to a Columbian drug cartel. In St. Kitts, the leaders of both political parties have been linked to the drug trade.¹⁶² The corruption of high public officials has weakened government authority and undermined the sovereignty of Caribbean nations.¹⁶³

In his chapter in the text *Security in The Caribbean Basin: The Challenge of Regional Cooperation*, Anthony P. Maingot suggests that by far the gravest problem that is evident in island after island in the growing public exasperation with the generalized criminality that is spawned by drug trade and usage. This, in turn is engendering two types of challenges.¹⁶⁴ First, there is a growing privatization of security. With the of the downsizing of government, the shifting to the private sector, and the export-driven nature of the new global economy, the private sector is having to pick up much of the slack in security at a time when the threat is increasing geometrically. In country after country private security firms guard airports, docks, and businesses and private residences. This shift in the security apparatus of the state, challenges the state sovereignty in a fundamental way as it dilutes state power over security.¹⁶⁵ Secondly, aside from the

¹⁶² Jan Rogozinski, *A Brief History of the Caribbean from the Arawak and Carib to the Present* (New York, NY: Facts on File, 1999), 283.

¹⁶³ Ron Chepesuik, *The War on Drugs: An international Encyclopedia* (Santa Barbara, California: ABC-CLIO, 1999), 46; Lammert De Jong and Dirk Kruijt, *Extended Statehood in the Caribbean Paradoxes of Quasi-Colonialism Local Autonomy, And Extended Statehood in the USA, French, Dutch, and British Caribbean* (Amsterdam, Netherlands: Rozenberg, 2005), 130.

¹⁶⁴ Joseph S. Tulchin and Ralph Espach. *Security in The Caribbean Basin: The Challenge of Regional Cooperation* (Boulder, Colorado: Lynne Rienner Publishers, 2000), 40.

¹⁶⁵ *Ibid.*, 41.

added expense to the society these services represent, there is a fragmentation of the security effort and a consequent diminution of the status of the regular armed forces. The potential consequences of this situation go well beyond the struggle against organized crime to threaten democratic governability by undermining collective trust in the system. Because the enemy and the threat are so multifarious and shifting, the new social problem is characterized by a generalized climate of suspicion.¹⁶⁶ Maingot points out that there is virtually no electoral campaign in the region where accusations of drug financing are not hurled with reckless abandon. Even a fairly routine change in police or military commands becomes subject for commentary tainted with suspicion and implied charges. The erosion of the legitimacy and trust so necessary in pluralist systems is already evident. In multi ethnic societies, the mistrust and suspicion heightens intergroup antagonism and stereotyping on an ethnic basis.¹⁶⁷

Directly, drug abuse and crime have adversely affected the Caribbean nations' ability to produce legitimate revenue. Businesses and industries such as tourism and agriculture are all threatened by the activities of DTPOs. The welfare and well-being of the citizens of these Caribbean states are also being attacked through extreme violent crimes associated with DTPOs. For example, Latin America and the Caribbean regions have been cited as regions with some of the highest crime rates.¹⁶⁸ One of the main forces

¹⁶⁶ Ibid.

¹⁶⁷ Ibid.

¹⁶⁸ Clare Ribando Seelke, Liana Sun Wyler, June Beittel, "*Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*," Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

driving the high rates of crime and violence in the Caribbean is the impact of intra-regional drug trafficking.¹⁶⁹ The explosion of the international drug trade has institutionalized criminal behavior, increased property-related crime by drug users and underpinned a steady increase in the availability of firearms.¹⁷⁰

Crime

In his 2006 New Year's address then prime minister of Jamaica, P.J. Patterson said, "Without a doubt, the high level of violent crime remains our most troubling and pressing problem."¹⁷¹ In Trinidad in opening the Parliament in September 2005, President George Maxwell Richards also declared that country's crisis due to the escalating crime rate.¹⁷² It has become more and more apparent through multiple channels; crime and violence threaten the welfare of Caribbean citizens. Beyond the direct effect on victims, crime and violence inflict widespread costs, generating a climate of fear for all citizens and diminish economic growth. Crime and violence present one of the paramount challenges to development in the Caribbean.¹⁷³

¹⁶⁹ Ronald Sanders, "Crime in the Caribbean an overwhelming phenomenon," *The Roundtable* 92, no. 1 (July 2003): 385; Ron Chepesuik, *The War on Drugs: An International Encyclopedia* (Santa Barbara, California: ABC-CLIO, 1999), 46.

¹⁷⁰ "Crime Wave in the Caribbean Crime Damages Society and the Economy." *The Economist*. <http://www.economist.com/node/10903343> (accessed March 28, 2012).

¹⁷¹ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, "Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007," http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

¹⁷² Ibid.

¹⁷³ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, "Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007,"

According to scholar Ivelaw Griffith, there are two major categories of drug crimes: “enforcement” crimes, and “business” crimes.¹⁷⁴ Enforcement crimes involve crimes among traffickers, between traffickers and civilians as well as between traffickers and police. These crimes are triggered by traffickers’ efforts to avoid arrest and prosecution. The latter category, business crimes, encompasses crimes committed as a part of business disputes, and acquisitive crimes, such as robbery and extortion.¹⁷⁵ Conversely, Griffith also references another theory citing three types of crimes; “consensual” ones, such as drug possession, use, or trafficking; “expressive” ones, such as violence or assault; and “instrumental” or property crimes, examples being theft, forgery, burglary, and robbery. Irrespective of the typology used, there is a wide range of drug-related criminal activity in the Caribbean.¹⁷⁶

Recently, the UN office on Drugs and Crime (UNODC) in its first global study on homicide establishes a well argued link between crime and development. The study also asserted that countries with wide income disparities are four times more likely to be afflicted by violent crime than more equitable societies.¹⁷⁷ The study notes that high levels of crime are both a major cause and a result of poverty, insecurity and

http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012); Ron Chepesuik, *The War on Drugs: An International Encyclopedia* (Santa Barbara, California: ABC-CLIO, 1999), 46.

¹⁷⁴ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 118.

¹⁷⁵ Ibid.

¹⁷⁶ Ibid.

¹⁷⁷ Sandeep Chawla, UN Office of Drugs and Crime, “*Global Study on Homicide.*” http://www.unodc.org/documents/data-and-analysis/statistics/Homicide/Globa_study_on_homicide_2011_web.pdf (accessed June 22, 2012).

underdevelopment. Crime drives away business, erodes human capital and destabilizes society.¹⁷⁸ Crime is a major offspring of DTPOs and is arguably the number one social issue for much of the Caribbean.¹⁷⁹

Social Capital

While crime is a hazardous progeny of DTPOs in the Caribbean region. There are other social costs associated with drug trafficking which can be very high.¹⁸⁰ For example, the most major social cost is the loss of social capital, which happens when a citizen who is known as a criminal is likely to have less social capital in mainstream society. A loss of social capital suggests a difficult time finding work, obtaining credit (formal or informal) starting a legitimate business, participating in community activity and contributing to general society. However, social capital, with those engaged in criminal activity is likely to increase, offering opportunities that involve more serious risk-taking behavior.¹⁸¹

¹⁷⁹ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, *Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007*, http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

¹⁸⁰ Ivelaw L. Griffith, *The Political Economy of Drugs in the Caribbean* (New York, NY: MacMillan, 2000), 129; Jacqueline Anne Braveboy-Wagner, *Small States in Global Affairs: The Foreign Policies of the Caribbean Community (Caricom)* (New York, NY: Palgrave Macmillan, 2008), 44.

¹⁸¹ "Caribbean Youth Development: Issues and Policy Directions," https://docs.google.com/viewer?a=v&q=cache:N5ZSj6kNhkQJ:www.obrayouthalliance.org/sites/default/files/Caribbean_Youth_Development_WB.pdf+&hl=en&gl=us&pid=bl&srcid=ADGEESjiUvPWfVpIJeQicAOandpDBDEXnsJRkRIaDfyZJ9pnXnnve44DxqQ6M21iwGaT_aRYnApvzwPTP8aD451IELIWESPS8WXEr9-H7p_fLGavzHdO68oIr4k2XUQKW3tUmshG45JZ&sig=AHIEtbT90pYKY1TCJbIt7e9BPQ94Hjo56g&pli=1 (accessed June 1, 2012).

Another social capital side effect of drug transshipment is the development of local use problems, as have started to manifest themselves with heroin and ecstasy in the Dominican Republic.¹⁸² This is particularly true if the drug is moved through a diffuse network of couriers rather than through a small number of large shipments orchestrated by a few central players. For the most part, drug use levels in the Caribbean are lower than in the destination markets, suggesting that high levels of organization have typified the market in the past.¹⁸³ However, today in a number of Caribbean countries, drugs are dealt on the street by loosely organized groups of young people in gangs, which are also credited with many of the violent crimes associated with DTPOs.¹⁸⁴

Corruption

Corruption caused by the illicit drug trade is another emerging theme in the Caribbean region. It is also a major obstacle to effective drug control.¹⁸⁵ Drug traffickers use their financial leverage fueled by the multi million-dollar drug market to penetrate and suborn law enforcement units and institutions of justice.¹⁸⁶ Corruption is usually

¹⁸² UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, *Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007*, http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

¹⁸³ Ibid.

¹⁸⁴ Ibid.

¹⁸⁵ Ramesh Ramsaran, *Caribbean Survival and the Global Challenge* (Boulder, CO: Lynne Rienner, 2002), 67.

¹⁸⁶ Colin Fredrick, "Edge on Narco-Trafficking: The Caribbean is the Fragile Third Border of Drug Trafficking," *The Cutting Edge*, <http://www.thecuttingedgenews.com/index.php?article=12420&pageid=&pagename=> (accessed February 10, 2011), and Ron Chepesuik, *The War on Drugs: An International Encyclopedia* (Santa Barbara, California: ABC-CLIO, 1999), 46.

defined as the transgression of formal rules governing the allocation of public resources by officials in response to offers of financial gain or political support.¹⁸⁷ Economic corruption is the use of public office for private gains where an official (the agent) entrusted with carrying out a task by the public (the principal) engages in some sort of malfeasance for private enrichment which is difficult to monitor for the principal.¹⁸⁸ Political corruption is defined as the violation of the formal rules governing the allocation of public resources by public officials in response to offers of financial gains or political support.¹⁸⁹ Corruption emerging from drug trafficking and production organizations varies in nature, scope and impact.¹⁹⁰

Traditionally, studies on corruption have focused on assessing its impact on macroeconomic development and socioeconomic welfare of developing nations.¹⁹¹ Caribbean scholar Michael Collier makes the argument that political corruption decreases overall economic output and reduces capital formation. Collier asserts that high levels of political corruption also affect a state's rule of law and has been shown to have an effect

¹⁸⁷ Edward Fokuoh Ampratwum, "The Fight Against Corruption and its Implications for Development in Developing and Transition Economies," *Journal of Money Laundering Control* 11, no. 1 (2008):76.

¹⁸⁸ Ibid.,77.

¹⁸⁹ Ibid.

¹⁹⁰ Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 159.

¹⁹¹ Mitchell A. Seligson, *Challenges to Democracy in Latin America and the Caribbean: Evidence from the American Barometer 2006-2007* (Nashville, TN: LAPOP, 2008), 251.

on the state's educational output, social inequalities and levels of economic investment.¹⁹²

In her text *Caribbean Drugs from Civilization to Harm Reduction*, Jennifer Hillebrand of the European Monitoring Center for Drugs and Drug Addiction, argues that corruption facilitates drug production, circulation and distribution, especially economically. In weak and poor states with a small economic base, scarce resources and limited means to exert legitimate authority (example limited police capabilities), an external or internal agent with enormous economic power-a drug businessman, for example - can exert pressure as massive and unrelenting as eventually to jeopardize the survival of the government, or at least its legitimacy.¹⁹³ Hillebrand suggests that one of the most flagrant case in the Caribbean of this kind of unequal relationship between drug traffickers and public officials took place in St. Kitts and Nevis, where Charles "Little Nut" Miller was able to challenge the state authority through intimidation or violence for years, until the authorities were able to extradite the notorious drug business man to Florida to face charges in the US.¹⁹⁴

Ivelaw Griffith suggests that one of the most critical political security aspects is the corruption of government officials.¹⁹⁵ Griffith asserts that corruption stemming from

¹⁹²Ibid., and Ivelaw L. Griffith, *Caribbean Security in the Age of Terror: Challenge and Change* (Kingston, Jamaica: Ian Randle Publishers, 2004), 443.

¹⁹³ Axel Klein, Marcus Day and Anthony Harriott, *Caribbean Drugs from Civilization to Harm Reduction* (New York, NY: Zed Books, 2004), 207.

¹⁹⁴ Ibid.

¹⁹⁵ Ivelaw L. Griffith, *The Quest for Security in the Caribbean: Problems and Promises in Subordinate States* (New York, NY: M.E. Sharpe Inc, 1993), 255.

drugs, not only undermines the credibility of governments; it also impairs the ability of government agencies to protect public interest. It can even warp the ability of politicians and bureaucrats to define national interest adequately.¹⁹⁶ In the text *Political Corruption: In and Beyond the Nation State* Robert Harris suggests that institutionalized high-level, bureaucratic and judicial corruption is very helpful to organized crime.¹⁹⁷ Most successful organized criminals are eager to legitimize themselves amongst the local power elites and into legitimate business and political activities such as contractual construction work or small businesses.¹⁹⁸ Harris further asserts that the political opportunities offered by the crossover between organized groups and political corruption afford these groups the veneer of respectability and implantation within the states elites.¹⁹⁹ Unfortunately, this presents itself as politicians broker trade-offs, protecting the interests of influential groups and elites (which can legitimized organized crime groups), trimming beliefs and voting practices, securing adequate election funding and presenting such activities publically as consistent and honorable.²⁰⁰

An excellent example of this type of corruption in the Caribbean comes from Jamaica. The two major political parties, The People's National Party and the Jamaica Labor Party established their Kingston power bases in the 1970s with the aid of local

¹⁹⁶ Ibid.

¹⁹⁷ Robert Harris, *Political Corruption: In and Beyond the Nation State* (New York, NY: Routledge, 2003), 148.

¹⁹⁸ Ibid., 146.

¹⁹⁹ Ibid., 147.

²⁰⁰ Ibid.

gunmen, this relationship has continued between the parties and a number of geographically distinct gangs.²⁰¹ These gangs are heavily supported and entrenched in the drug trade, but still closely associated with the parties and are at the center of much of the violence, murder and crime in Jamaica in recent decades.²⁰²

Conversely, political scientist and expert on Jamaican crime, Anthony Harriott discusses the effects of corruption of the judicial system and police force. The ways in which the judicial system can be corrupted by DTPOs can be contrived to ensure either acquittals or convictions which can include tampering with evidence, suborning or intimidating witnesses or even physically eliminating them.²⁰³ Corruption of the police's capabilities can be contrived, in a number of ways from the manipulation of the day to day operations of the force or even selective law enforcement where police are encouraged to look the other way.²⁰⁴ Moreover, high levels of corruption can lead to the development of cynicism within the general society, and increase the level of public tolerance for corruption. As such, corruption subverts political security.²⁰⁵

²⁰¹ Ibid., 148.

²⁰² Robert Harris, *Political Corruption: In and Beyond the Nation State* (New York, NY: Routledge, 2003), 148; Hume Nicola Johnson, "Towards Degarrisonisation in Jamaica: A Place for Civil Society," *Crime Prevention and Community Safety* 12, no. 1 (February 2010): 2.

²⁰³ Anthony Harriott, *Police and Crime and Control in Jamaica: Problems of Reforming Ex-Colonial Constabularies* (Kingston, Jamaica: University of the West Indies Press, 2000), 54.

²⁰⁴ Ibid., 53.

²⁰⁵ Ivelaw L. Griffith, *The Quest for Security in the Caribbean: Problems and Promises in Subordinate States* (New York, NY: M.E. Sharpe Inc, 1993), 255.

Economic Costs

There are three major economic costs of drug trafficking to the Caribbean region. Firstly, considering the key role that tourism plays in many Caribbean countries, the effects of crime on tourism are of particular concern. Crime brings with it substantial economic costs. The tourism industry is Jamaica's largest employer and is of vital importance to the economy, accounting for around 10% of GDP. It is also Jamaica's second-largest source of foreign exchange (after workers' remittances), earning a record US\$1.9 billion in 2006.²⁰⁶ In Trinidad and Tobago, tourism (mainly on the island of Tobago) accounts directly for around 6% of GDP and employs around 6% of the workforce.²⁰⁷ While most violent crime in Trinidad and Tobago is concentrated in the slums surrounding Port of Spain, violent attacks on visitors to Tobago have risen sharply in recent years. Direct attacks on tourists, whether in Tobago or Jamaica, have a marked impact on the tourism sector, given the importance of positive consumer perception. More than any other economic activity, the success or failure of a tourism destination depends on being able to provide a safe and secure environment for visitors.²⁰⁸

Moreover, crime in the English-speaking Caribbean also drives away investment, both foreign and domestic, and consequently slows growth.²⁰⁹ Because of the need to

²⁰⁶ “*Crime Wave in the Caribbean Crime Damages Society and the Economy.*” The Economist. <http://www.economist.com/node/10903343> (accessed March 28, 2012).

²⁰⁷ Ibid.

²⁰⁸ Ibid.

²⁰⁹ “Caribbean Youth Development: Issues and Policy Directions,” https://docs.google.com/viewer?a=v&q=cache:N5ZSj6kNhkQJ:www.obrayouthalliance.org/sites/default/files/Caribbean_Youth_Development_WB.pdf+&hl=en&gl=us&pid=bl&srcid=ADGEESjiUvPWfVpIJeQic

employ additional security measures, crime increases the costs of doing business, diverting investment away from business expansion and productivity improvement. It leads to losses through theft, looting, arson, fraud and extortion (a repeat). Other non-material losses include the immeasurable cost of employee morale, productivity and safety.²¹⁰ In a 2008 economist magazine article, it was argued that foreign direct investment to the region has trended steadily upwards in the past decade, but the bulk has gone to natural-resource sectors, where decisions are less influenced by crime rates.²¹¹ For instance, some governments have been forced to adopt a wide range of narcotics countermeasures. Generally, these measures are costly and quite often require the governments to devote considerable portions of already scarce financial resources to combat the drug scourge.²¹²

Money Laundering

Money laundering is most suitably defined as the conversion of profits from illegal activities, in the case of DTPOs, into financial assets that appear to have legitimate origins and uses.²¹³ It has become a major component of the drug trade in the Caribbean

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²¹⁰ Ibid.

²¹¹ "Crime Wave in the Caribbean Crime Damages Society and the Economy." The Economist. <http://www.economist.com/node/10903343> (accessed March 28, 2012).

²¹² Ivelaw L. Griffith, *Drugs and Security in the Caribbean: Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 191.

²¹³ Ibid.

region. International criminal organizations move billions of dollars worth of drugs around the world, most of this money is high volumes of high density cash.²¹⁴ The DTPOs attempt to hide their money as quickly as possible through money laundering. Griffith identifies three stages of drug trafficking: placement, layering, and integration. Placement is the physical disposal of bulk cash, either by commingling it with revenues from legitimate businesses or by converting currency into deposits in banks, insurance companies, or other financial intermediaries.²¹⁵ Layering involves transferring money between various accounts through several complex transactions designed to disguise the trail of the illicit takings. Integration, the last state, requires shifting the laundered funds to legitimate organizations with no apparent links to the drug trade.²¹⁶ The money laundering process threatens the integrity of financial institutions. It is also the life-blood of violent criminal and terrorist enterprises - it is an essential activity for organized crime helping to further entrench them into the workings of the state.

In the 2007 joint report on drug and crime trends by the United Nations Crime and Development Bureau it was asserted that in the past, the region has focused on providing offshore financial services to the United States and European markets as an opportunity for economic development; but due to the small state capacity, sufficient

²¹⁴ Ivelaw L. Griffith, *Drugs and Security in the Caribbean: Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 194; Edward H. Jurith, "International Cooperation in the Fight Against Money Laundering," *Journal of Financial Crime* 9, no. 2 (2002): 212.

²¹⁵ Edward H. Jurith, "International Cooperation in the Fight Against Money Laundering," *Journal of Financial Crime* 9, no. 2 (2002): 212.

²¹⁶ *Ibid.*

oversight resources have been limited.²¹⁷ This becomes particularly problematic as the region is physically located along one of the world's premiere drug and cash thoroughfare. Industries such as the tourism sector generate numerous cash-based businesses through which dirty money can flow undetected.²¹⁸ The Dominican Republic provides an example of both of these techniques, as transport of bulk cash remains one of the primary means of transporting drug proceeds from the United States to the country. Local casinos and currency exchange houses are also said to be a major channel.²¹⁹

Therein Lies the Rub

Drug trafficking and the effects that it has on the region are threatening the regions', cultural, economic and political development. It can be argued that the trade brings much needed resources and money, but a much stronger argument would be that the cost of the monies is too great. As a researcher and political scientist, I believe that one of the most important elements of the scientific method used in the research of political phenomena is its predicted uses. Just as the Arab nations are experiencing what some scholars are describing as an organic political change that reflect the changing needs and resources of that region (Arab Spring). Some may argue that the Caribbean region is also experiencing an era of violent change. An examination of such problems as violence, crime and unemployment is steadily veering away from only focusing on

²¹⁷ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, "*Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean, 2007*," http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

²¹⁸ Ibid.

²¹⁹ Ibid.

threats to national development, to viewing these problems as direct threats to national sovereignty and legitimacy. These threats did not come about overnight as challenges to the state and can be traced from the regions' colonial legacy.

In their post-independent youth the Caribbean states were left with limited resources from the colonial metropolises. The challenges associated with attempting to gain sustainable economic, social and political development were further perpetuated by the adoption of structural adjustment and other misdirected development programs. There is a storm brewing in the Caribbean Sea, one which is clouded with violence, uneducated and unemployed youths, gangs, high taxes, less jobs, strained resources and exhausted states as understood through the works of Neville Duncan, Jan Rogozinski Lloyd Best, Norman Girvan and Sir Arthur Lewis, Ivelaw Griffith, Francisco Thoumi, Andres Serbin, amongst others.

The study of the drug trade phenomenon allows for the improvement of a preemptive strategy and analysis to combat this threat. It is no longer viable, relevant or useful to view the threat of DTPOs and its side effects in a fragmented manner, which has become the model in traditional literature on security in the region. DTPOs and their effects on the region are the product of not only international factors such as supply and demand or even state-specific factors such as limited resources, revenues and interdiction efforts. DTPOs are in fact a phenomenon spawned from a combination of the need for supply chain routes of South American producers and their consumers in North America and Europe along with limitations on economic resources in the region including limited

revenue, technology and political stagnation. More research is needed to explore the systemic challenges of the region as it contributes to the drug trade.

Furthermore, corruption, passive political-bureaucratic will, along with social decay through the glorification of “gangsterous” behavior by some citizens, partnered with the exclusion and marginalization of large groups in small states and state specific advantages (example arable land) also account for the perpetuation of DTPOs and the need for more academic attention. In a Trinidad Newsday 2011 article entitled *Battle Zones*, David McFadden suggested that the islands remain near-perfect conduits for drug shipments, with their numerous un-policed islets and barely monitored coasts. Citing a recent U.N. report on crime, McFadden brings attention to the statistic which showed that Caribbean drug seizures actually diminished 71 percent between 1997 and 2009 as more contraband shifted to Central American routes.²²⁰ Despite this statistic, problems associated with drug trafficking such as corruption, violence and loss of social capital seemed to be increasing. As the major research components of this paper were being compiled, the region became further embroiled in challenges due to spiraling crime rates caused by drug trafficking. In August 2011, 11 murders were recorded in 5 days in Trinidad & Tobago prompting the local government to call a state of emergency.

St. Kitts and Nevis, a two-island federation of nearly 50,000 people, had tallied 31 homicides before the year ended in 2011, making it the bloodiest year on record.²²¹ Only

²²⁰ David McFadden, “*Battle Zones*,” Newsday, http://www.newsday.co.tt/crime_and_court/print,0,149466.html (accessed June 26, 2012).

²²¹ “*Caribbean Islands Struggling to Dismantle Gangs*,” Jamaica Observer, http://www.jamaicaobserver.com/news/Caribbean-islands-struggling-to-dismantle-gangs_9984492 (accessed June 26, 2012).

a few decades ago the academic literature cited Caribbean states Jamaica, Puerto Rico and Haiti as the most violent and DTPO entrenched states. Other Caribbean states are now emerging as having high murder rates, drug production and trafficking and crime problems that pushed those states into the forefront of regional security considerations. It will be even more difficult to combat the DTPOs as more of the Caribbean states become entrenched in the violence and crime associated with DTPOs.

In the case of Jamaica, the attempts to keep the peace can be just as violent as the violence created by the drug trade. In 2010, the state of emergency in Jamaica saw the government under siege from impromptu citizen militias protecting infamous drug czar Michael “Dudus” Coke. More than 70 people were killed in clashes before Mr. Coke was captured and extradited to the U.S.²²² In the same year, the British Broadcasting Corporation news outlet reported that Jamaican officials were experiencing significant success in bringing down its murder rate. The government said there had been a 44% drop in the number of killings in the first quarter of 2011 compared to the same period in 2010.²²³ It said its policy of saturating gang-dominated areas with police and soldiers was succeeding. But human rights groups say extra-judicial killings and other abuses by security forces have increased. Police statistics showed there were 238 murders during

²²² Chris Salewicz, “*Jamaica’s Drug Rebellion*,” The Wall Street Journal, <http://online.wsj.com/article/SB10001424052748704717004575268850282820346.html> (accessed May 28, 2012).

²²³ “*Sharp Drop in Jamaica Rate After Gang Crackdown*,” BBC, <http://www.bbc.co.uk/news/world-latin-america-13008780> (accessed June 26, 2012).

the first three months of 2011 compared to 426 during the same period in 2010.²²⁴ The human rights group Jamaicans for Justice says extra-judicial killings and other abuses by the security forces have increased since the crackdown began. It says more than 400 civilians were killed during security operations in 2010 compared to 253 in 2009.²²⁵ The cost of human life and resources to combat the challenges associated with violence and crime and the offshoots of the drug trade can be just as high as those connected with DTPO activities. Other Caribbean states can learn a valuable lesson from the case of Jamaica. Rather than combating the challenges associated with DTPOs when they have reached excessively precarious levels. Interdiction and research efforts would be best benefit from preemptive and intensified efforts before the problems get any more hazardous.

²²⁴ Ibid.

²²⁵ Ibid.

CHAPTER III

COUNTRY ANALYSIS

Overview

This chapter will introduce a paradigm in which the strength or weakness of the state in the provision of political goods is evaluated. This approach is taken from Robert Rothberg, *Weak States in the Era of Terror*. Additionally, the information from this chapter will offer analysis that highlights major demographic, economic and political characteristics of each case study countries Trinidad and Tobago and St. Vincent and the Grenadines. While, there are many differences between the levels of development, population size, and general demographics of T&T and SVG, the effects of DTPO activities have been hazardous to both of these counties. Moreover, by discussing the advantages and disadvantages that exist in each state's political and economic landscape, this chapter lays the foundation on which the theory of comparative and competitive advantages in DTPOs will accrue.

The two case studies used for this dissertation were identified by preliminarily surveying a number of major reports and literature on DTPOs in the region. These include, *The World Bank Report on Organized Crime 2005*, World Bank Country profiles on both T&T and SVG and the UNODC World Drug Reports 2009, 2010 and 2011. All variables pertinent to this research are meant to identify comparative and competitive

advantages in DTPOs. The Mills Canon Comparative agreement framework as described in Chapter I was used to establish which countries in the Southeastern Caribbean had the same comparative and competitive advantages in DTPOs. By using the Mills Canon framework, it was established that Trinidad and Tobago, St. Vincent and the Grenadines shared the same comparative and competitive advantages and have recorded excessive levels of drug trafficking and drug production. For the purposes of this research SVG and T&T will be the two major case studies used in this dissertation. It becomes most important to explore what are the existing challenges in the administration of the state in delivering political goods that will help explain how DTPOs pervade the state. Hence, in the proceeding section the researcher will explore the challenges facing the state.

The State

Robert Rothberg, asserts that nation-states exist to provide a decentralized method of delivering political (public) goods to persons living within designated parameters (borders). Having replaced the ruling monarchs of old, modern states focus and answer the concerns and demands of citizenries.¹ They organize and channel the interests of their people, often but not exclusively in furtherance of national goals and values. They buffer or manipulate external forces and influences, champion the local or particular concerns of their adherents, and mediate between the constraints and challenges of the international arena and the dynamism of their own internal economic, political and social realities.²

¹ Robert I. Rothberg, *State Failure and State Weakness in a Time of Terror* (Washington D.C.: Brookings Institution Press, 2003), 2.

² Ibid.

Furthermore, states succeed or fail across various dimensions according to their performances. The levels of their effectiveness in delivery of the most crucial political goods may be a crucial factor in distinguishing strong states from weak ones, and weak states from failed or collapsed states. Political goods are those intangible and hard to quantify claims that citizens once made on a sovereign and now make on states. They encompass expectations, conceivable obligations, inform the local political culture, and together give content to the social contract between ruler and the ruled that is at the core of regime/government and citizenry interactions.³

Additionally, there is a hierarchy of political goods. None is as critical as the supply of security, especially human security.⁴ Individuals alone, almost exclusively in special or particular circumstances, can attempt to secure themselves. Alternatively, groups of individuals can band together to organize and purchase goods or services that maximize their sense of security.⁵ Individuals and groups cannot easily or effectively, substitute private security for the full spectrum of public security. The state's prime function is to provide that political good of security - to prevent cross-border invasions and infiltrations, and any loss of territory, to eliminate domestic threats to attacks upon the national order and social structure; to prevent crime and any related dangers to domestic human security, tend to enable citizens to resolve their disputes with the state

³ Ibid.

⁴ Ibid.

⁵ Ibid.,3.

and with their fellow inhabitants without recourse to arms or other forms of physical coercion.⁶

The delivery of a range of other desirable political goods becomes possible when a reasonable measure of security has been sustained. Rothberg declares that modern states (as successors to sovereigns) provide predictable, recognizable, systemized methods of adjudicating disputes and regulating both the norms and prevailing norms of a particular society or polity.⁷ The essence of that political good usually implies codes and procedures that together constitute an enforceable rule of law, security of property and inviolate or inviolable contracts, a judicial system, and a set of values that legitimize and validate the local version of fair play.⁸

On the other hand, it is worth noting the other key political goods that enable citizens to participate freely, openly, and fully in politics and the political process. These encompass essential freedoms like: the right to compete for office; respect and support for national and regional political institutions, like legislatures and courts; tolerance of dissent and difference; and fundamental civil and human rights.⁹

In contrast, states also supply other political goods (although privatized forms are possible) which are expected by their citizenries. These include medical and health care (at varying levels and costs); schools and educational instruction (at several levels) - good roads, railways, harbors and other physical infrastructures - the arteries of commerce;

⁶ Ibid.

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

other types of communications infrastructures; a money and banking system, usually presided over by a central bank and lubricated by a national currency; a beneficent fiscal and institutional context within which citizens can pursue personal entrepreneurial goals and potentially prosper; the promotion of civil society; and methods of regulating the sharing of the environmental commons. Together, this bundle of potential goods, roughly rank ordered, establishes a set of criteria according to which modern nation-states may be judged strong weak or failed.¹⁰

Strong states obviously perform well across these categories. On the other hand, weak states show a mixed profile, fulfilling expectations in some areas and performing poorly in others. In instances where some states failed, they flunked each of the tests. But they need not flunk all of them to fail overall, particularly since satisfying the security good weighs very heavily, and high levels of internal violence are associated directly with failure, and the absence of violence does not necessarily imply that the state in question is not failed. It is necessary to judge the intent to which an entire failing or failed profile is less or more than its component parts.¹¹

Moreover, strong states unquestionably control their territories and deliver a full range and a high quality of political goods to their citizens.¹² They perform well according to indicators like GDP per capita, like the UNDP Human Development Index, also road networks are well maintained, telephones work. The postal service functions and the internet are available. Schools and universities and Students flourish, satisfying

¹⁰ Ibid., 4.

¹¹ Ibid.

¹² Ibid.

their students' needs, the populations have high levels of literacy. Hospitals and clinics serve patients effectively. Other such criteria can be added. Overall, strong states are places of enviable peace and order.¹³

There are broad continua of states that are inherently weak because of geographical physical or fundamental economic constraints. Some can be basically strong but temporarily or situational weak because of internal antagonism, management flaws, greed, despotism, or external attacks; and a mixture of the two weak states typically harbor ethnically, religious, linguistic or other inter-communal tensions that have not yet, or not thoroughly become overtly violent.¹⁴ Urban crime rates tend to be higher and increasing. In weak states, the ability to provide adequate measures of other political goods is diminished or diminishing. Physical infrastructure networks have deteriorated. Schools and hospitals show signs of neglect, particularly outside the main cities. GDP per capita and other critical economic indicators have fallen or are falling, sometimes dramatically; levels of venal corruption are embarrassingly high and escalating. Weak states usually honor rule of law precepts in the breach. The states harass civil society.¹⁵

By definition many Caribbean states would be characterized as weak states. As discussed in Chapter II, This weakness is associated with colonial legacies of dependency on industries like sugar and bananas and other problems associated with post-colonial development that have left these states not only weak but vulnerable to exogenous influences. Historically speaking, political theorists such as Edward Long and Bryan

¹³ Ibid.

¹⁴ Ibid., 5.

¹⁵ Ibid.

Edwards discussed the comparative and competitive advantages these states commanded in the production of sugar during the slave era. Sugar production was most lucrative in the Caribbean region because of the unpaid labor (slaves) accustomed to the tropical weather and physically more suitable for the demands of cultivating crops. A market in Europe rich enough and hungry for the goods from the West Indies gave these states a comparative advantage in sugar production.

In this modern era, these states have lost their advantages in sugar, but not their advantages in other industries including DTPOs. The challenges and advantages associated with the identified Comparative and Competitive advantages become most important as we observe them through a scope under which we examine the performance of these two states either effectively or ineffectively; to deliver political goods such as Security, resource allocation, infrastructure building and maintenance and the ability to bring in revenue. In proceeding, the next section will briefly discuss Trinidad & Tobago's independence, present government, and its economic and social development.

Trinidad and Tobago Country Analysis

The Republic of Trinidad and Tobago is constituted by the two most southerly isles of the Caribbean archipelago. A former British colony, Trinidad and Tobago gained independence on August 31, 1962 and became a republic on August 1, 1976.¹⁶ Trinidad and Tobago, a State of 1,227,505 million people (July 2011 est.: CIA World Fact

¹⁶ "A Guide to Investing in Trinidad and Tobago (2011)," <http://www.investtnt.com/resources/2011-Investment-Guide.pdf> (accessed November 17, 2011).

Book)¹⁷, is one of the most culturally diverse states in the Caribbean. It is also rich in natural resources and has one of the highest per capita incomes (U.S. \$20,300 in 2011) in Latin America and the Caribbean.¹⁸ This ranks T&T as a high-end middle income state or a low-end developed state. The economy is largely based on oil and gas, which currently account for 40 percent of GDP and 80 percent of exports, with only 5 percent unemployment; the country has become a major financial center in the Caribbean. Trinidad and Tobago is a leader in the Caribbean regional integration effort, including the Caribbean Community (CARICOM) Single Market Economy, which went into effect January 1, 2006.¹⁹

The current administration, resulting from the May 2010 elections, is led by Prime Minister Kamla Persad Bissessar. The government's main challenges are the high incidence of violent crime and rising food prices. Governance indicators, as measured by Transparency International and the World Bank, have shown deterioration in recent years. The oversight and accountability of the executive is improving, but some weaknesses remain. Steps are underway to improve governance and the efficiency of public service delivery.²⁰

¹⁷ "Central America and Caribbean: Trinidad & Tobago," Central Intelligence Agency, <https://www.cia.gov/library/publications/the-world-factbook/geos/td.html> (accessed December 23, 2011).

¹⁸ Ibid.

¹⁹ "Trinidad and Tobago Country Brief," The World Bank, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/TRINIDADANDTOBAGOEXTN/0,,contentMDK:21045974~menuPK:331460~pagePK:1497618~piPK:217854~theSitePK:331452,00.html> (accessed November 17, 2011).

²⁰ Ibid.

The industrial economy of Trinidad and Tobago is more diversified than many of its Caribbean neighbors - with large reserves of petroleum and natural gas, heavy industries such as iron and steel as well as nitro gases and methanol producing enterprises. Additionally, there is a sound infrastructure, including modern telecommunication systems, two (2) international airports, three (3) major cargo ports and a financial services sector comprising, commercial banks, insurance companies and credit unions. The economy in Trinidad is strengthened essentially by petroleum and natural gas, and in Tobago, tourism. Preliminary estimates of GDP indicate that the Trinidad and Tobago economy was expected to grow by 6.2 percent in 2004 compared with 13.2 percent in 2003.²¹

Growth in Trinidad and Tobago has averaged 6 percent per year since 1994, which gives it a ranking among the highest levels in Latin America and the Caribbean region. In 2007, the economy grew by 5.5 percent, compared to 12 percent in 2006, most recently in 2011 T&T has experienced a negative growth rate of -1.4%.²² The government has pursued an expansionary fiscal policy to fund infrastructure, education, social programs, and national security, leading to a deterioration of non-oil fiscal balances.²³

²¹ "Mutual Evaluation/Detailed Assessment Report on Anti-Money Laundering and Combating the Financing of Terrorism," CFATF, [http://www.cfatf-gaific.org/downloadables/mer/Trinidad_and_Tobago_3rd_Round_MER_\(Final\)_English.pdf](http://www.cfatf-gaific.org/downloadables/mer/Trinidad_and_Tobago_3rd_Round_MER_(Final)_English.pdf) (accessed November 22, 2011).

²² "Central America and Caribbean: Trinidad & Tobago," Central Intelligence Agency, <https://www.cia.gov/library/publications/the-world-factbook/geos/td.html> (accessed December 23, 2011).

²³ "Trinidad and Tobago Country Brief," The World Bank, <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/TRINIDADANDTOBAGOEXTN/0,,contentMDK:21045974~menuPK:331460~pagePK:1497618~piPK:217854~theSitePK:331452,00.html> (accessed November 17, 2011).

A modern cosmopolitan Caribbean city, the capital of Trinidad and Tobago boasts tall buildings, elegant restaurants, beautiful savannahs, luxury hotels, shopping malls and cinemas the like of which few other Caribbean states possess. Yet infrastructural development faces a number of major challenges. For example, the sewage and drainage systems, the roads, neighborhoods and districts in which many Trinidadians rely on, are often dilapidated and poorly constructed. There are often strong stench of sewage and heaps of garbage. Additionally, the disparity between the haves and have-nots are obvious as gated communities and ultra-exclusive clubs are rapidly developing all over the country. Still recognized as one of the most culturally diverse states in the Caribbean, due partly to its large groups of people of Indian, Syrian, Chinese and European descent, and its apparent tolerance for embracing religious differences. Unfortunately, racial discourse between the different groups is still a part of the cultural fabric. For example, political arguments and social conflicts can often be cited for their racial undertones and over pinnings.²⁴ These provocations pose a threat to the state of T&T as they become the weaknesses upon which the perversions of DTPOs infiltrate the state. The following section of the research offers an illustration of the comparative and competitive advantages that T&T has in DTPOs.

Political Environment

Trinidad and Tobago is a unitary state, with a parliamentary democracy modeled after that of Great Britain. Although completely independent, Trinidad and Tobago acknowledged the British monarch as the figurehead chief of state from independence in

²⁴ Deryck R. Brown, "Ethnic Politics and Public Sector Management in Trinidad and Guyana," *Public Administration and Development* 19, no. 4 (October 1999): 373.

1962 until 1976.²⁵ In 1976 the country adopted a republican Constitution, replacing Queen Elizabeth with a largely ceremonial president elected by Parliament. The general direction and control of the government rests with the cabinet, led by a prime minister and answerable to the bicameral Parliament.²⁶ The government of Trinidad and Tobago consists of a parliamentary democracy with an elected lower house and an appointed upper house. The prime minister—the leader of the party with the most seats in parliament—holds political power. The appointed president is the official head of state.²⁷ The Tobago House of Assembly possesses some, quite limited, autonomy. Political parties have for the most part made their appeals on the basis of ethnicity, even if not overtly, and nationalism, rather than on class or ideology. Cases of corruption have been highly publicized. The media, including tabloid newspapers, is particularly aggressive in making corruption allegations. High unemployment, especially for youth, is a central problem, spawning others, such as Gang violence and drug trafficking. Since the 1980s, crime has been seen as a serious problem, especially violent property crimes connected to the sale and transshipment of illegal drugs.²⁸

While Trinidad has had a history of fairly stable elections and political process, it has also seen challenges that most other states in the Commonwealth Caribbean have not. In February 1970 the Black Power movement in Trinidad exploded, lead by the National

²⁵ “Background Note: Trinidad and Tobago,” Bureau of Public Affairs, <http://www.state.gov/r/pa/ei/bgn/35638.htm> (accessed November 17, 2011).

²⁶ Ibid.

²⁷ Ibid.

²⁸ “Background Note: Trinidad and Tobago,” Bureau of Public Affairs, <http://www.state.gov/r/pa/ei/bgn/35638.htm> (accessed November 17, 2011); Liliانا Rojas-Suarez and Carlos Elias, *Policy Perspectives for Trinidad and Tobago: From Growth and Prosperity* (Washington, D.C.: Inter-American Development Bank, 2004), 65.

Joint Action committee and leaders in the University and trade union movements Marched in solidarity against the government.²⁹ Thousands of people marched through the streets in massive demonstrations that rocked the island between Feb 26th and 20th April 1970 bringing the country to a near standstill for two months. At the same time groups of young army officers, sympathetic to the Black Power movement, mutinied. The uprising threatened the political establishment and status quo in a fundamental way.³⁰ Another pivotal threat to T&T political structure came in July 1990, when the Jamaat al Muslimeen, a well-armed Muslim group with an unresolved grievance against the government over land claims, tried to overthrow the NAR government.³¹ The group held the prime minister and members of parliament hostage for 5 days while rioting shook Port of Spain. After a long standoff with the police and military, the Jamaat al Muslimeen leader, Yasin Abu Bakr, and his followers surrendered to Trinidadian authorities. In July 1992, the Court of Appeal upheld the validity of a government amnesty given to the Jamaat members during the hostage crisis.³² The Jamaat Muslimeen attack illustrates the force organized and armed groups on the island. Whether ideologically (like the Jamaat al Muslimeen members) or for monetary gain (like DTPOs), the government of Trinidad and Tobago does have to contend with real threats. While the electoral process in T&T

²⁹ Bridget Brereton, *An Introduction to the History of Trinidad and Tobago* (Oxford, UK: Heinemann Educational Publishers, 1996), 117, and Germán Carrera Damas and Bridget Brereton, *General History of the Caribbean: The Caribbean in the Twentieth Century* (London, UK: UNESCO, 2004), 215.

³⁰ Germán Carrera Damas and Bridget Brereton, *General History of the Caribbean: The Caribbean in the Twentieth Century* (London, UK: UNESCO, 2004), 216, and Brian Meeks, "Nuff at the Cusp of an Idea: Grassroots Guerillas and the Politics of the 1970s in Trinidad and Tobago," *Social Identities* 5, no.4 (1999): 415-439.

³¹ "Background Note: Trinidad and Tobago," Bureau of Public Affairs, <http://www.state.gov/r/pa/ei/bgn/35638.htm> (accessed November 17, 2011).

³² Ibid.

has been defined as fair and free and the democratic structure appears to be stable, there are a number of challenges, associated with corruption and citizens distrust of security entities such as the police. This lack of trust in the legitimacy of the government leaves the state open to major threats and hostile groups. Most recently, there was an alleged plot on Prime Minister Kamla Persad-Bissessar's life; A dozen people have been arrested, including members of the army and police.³³ In an address to the nation, Ms Persad-Bissessar condemned the alleged conspiracy against her and several members of her government as "an evil, devious act of treason." She directly linked the security threat to the state of emergency she declared in August to counter a surge in violent crime linked to drugs gangs. The state of emergency in Trinidad, was initially introduced on August 23rd approximately 2 months after the researcher embarked upon and gathered the primary data for this research. The state of emergency was called to counteract rising crime rates and 11 murders over a weekend.³⁴ As with other nations in the region, Trinidad and Tobago is a major trans-shipment point for cocaine. It has become ridden with drug and gang-related violence. This has clogged up the courts and has fuelled a high murder rate and much of the corruption that is reputedly endemic in the police. It also threatens the tourism industry.³⁵ For this reason, Trinidad & Tobago's national security will be discussed in the following section.

³³ "Trinidad PM Persad-Bissessar: Assassination Plot Foiled," BBC NEWS, <http://www.bbc.co.uk/news/world-latin-america-15882204> (accessed November 24, 2011).

³⁴ Ibid.

³⁵ "Trinidad and Tobago Country Profile," BBC News, http://news.bbc.co.uk/go/pr/fr/-/2/hi/americas/country_profiles/1209827.stm (accessed November 17, 2011).

National Security

The Ministry of National Security oversees the police service, prison service, and the defense force, coast guard. Led by the minister of National Security, Jack Warner, the police service maintains internal security.³⁶ The Trinidad and Tobago Defense Force (T&TDF) is the military organization responsible for the defense of of Trinidad and Tobago. It consists of the Trinidad & Tobago Regiment, the Coast Guard, the Air Guard and the Defense Force Reserves. Established at independence in 1962, the T&TDF is one of the largest military forces in the English-speaking Caribbean.³⁷ Its mission statement is to "defend the sovereign good of The Republic of Trinidad and Tobago, contribute to the development of the national community and support the State in the fulfillment of its national and international objectives".³⁸ An independent body, the Police Service Commission, makes hiring and firing decisions in the police service, and the Ministry had little direct influence over changes in senior positions. While the civilian authorities maintained effective control of the security forces, some members of the security forces have committed human rights abuses.³⁹

Unfortunately, excessive use of force continues to be a concern. The national police force is divided into 9 countrywide divisions, including 17 specialized branches,

³⁶ "Divisions & Agencies," GOV.TT, <http://www.nationalsecurity.gov.tt/DivisionsAgencies/tabid/60/Default.aspx> (accessed June 27, 2012).

³⁷ "Divisions & Agencies," GOV.TT, <http://www.nationalsecurity.gov.tt/DivisionsAgencies/tabid/60/Default.aspx> (accessed June 27, 2012).
And U.S. Department of State, "Trinidad and Tobago," <http://www.state.gov/j/drl/rls/hrrpt/2004/41776.htm> (accessed June 26, 2012).

³⁸ U.S. Department of State, "Trinidad and Tobago," <http://www.state.gov/j/drl/rls/hrrpt/2004/41776.htm> (accessed June 26, 2012).

³⁹ Ibid.

and had approximately 7,000 members. The Police Service Commission, upon consultation with the Prime Minister, appoints the Commissioner of Police to oversee the police force. Additionally, there are the municipal police which are under the jurisdiction of 14 regional administrative bodies and supplement the national police. A special crime fighting unit, composed of police and defense force personnel, conducted joint operations to combat violent crime, kidnappings for ransom, and other security issues.⁴⁰

Interestingly, police corruption continues to be a problem. On a number of occasions during 2011, police were apprehended for possessing illegal drugs, guns, and grenades and engaging in other illicit activities. An independent body, the Police Complaints Authority, received numerous complaints about the conduct of police officers, monitored the investigation of complaints, and determined disciplinary measures where appropriate, including dismissal.⁴¹ Before the state of emergency, Police Service Commission restrictions limited the authority's ability to dismiss police officers, and a large backlog of outstanding complaints eroded the public's confidence in this regard. Recently, the government identified a need for reform due to the problems of disciplining offending officers. Part of this reform is now being implemented as national and international attention is being focused on the challenges of corruption and indiscipline in the police force. The media's daily news reports on the state of emergency and shows like Crime-Watch (a local crime show with a flamboyant host, Ian Allen), brings to the public's attention, local crimes and police corruption on a daily basis. In the proceeding section, the researcher will discuss the conditions of the local detention centers.

⁴⁰ Ibid.

⁴¹ Ibid.

Detention centers' (prisons and jails) maintenance and infrastructure are also major challenges. Prison conditions were harsh. Overcrowding was severe, particularly at the Port of Spain remand yard prison on Charlotte Street, which held approximately 900 prisoners, although designed to hold only 250 inmates when it was built in 1812.⁴² Amnesty International (AI) reported that one cellblock held 114 prisoners in 10 foot by 10 foot cells, with upwards of 14 prisoners per cell. Conditions were extremely unsanitary.⁴³ Infectious diseases range from the least deadly such as conjunctivitis and scabies to the most deadly (tuberculosis and HIV/AIDS). The maximum security prison had an intended capacity of 2,400 persons but, due to a faulty sewage system and inadequate electronic security, held only 800 prisoners and did little to relieve the overcrowding in the detention system.⁴⁴ The effects of overcrowding and poor conditions overextend the police and prison system making it more difficult to secure.

Arable Land

The islands of Trinidad and Tobago have been linked as one country since 1889, but the unique character of each island contributes in different ways to the country's culture. For instance, Trinidad is quite industrialized whereas Tobago remains more rural. Foreign investment and trade are buoyant but the overall economy is very dependent on the fluctuating world price of oil.⁴⁵ The emphasis on oil and related industries and the

⁴² Ibid.

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ "Country Profile - Trinidad and Tobago," New Agriculturalist, <http://www.new-ag.info/en/country/profile.php?a=884> (accessed November 21, 2011).

lure of industrial work have been to the detriment of agriculture. Agriculture contributes only 2% of the national GDP and employs only an estimated 11% of the population. Even in Tobago, agriculture has been recently estimated to contribute less than 2% of the Tobago GDP, although many families have at least a part-time interest in agricultural or fishing enterprises.⁴⁶

Trinidad and Tobago are the southernmost islands in the Caribbean Sea. Trinidad is 1,864 square miles in area (4,828 square kilometers), and Tobago is 116 square miles (300 square kilometers). At its closest point, Trinidad is some seven miles from the coast of Venezuela on the South American mainland.⁴⁷ Trinidad is diverse geographically, it has three mountain ranges, roughly parallel to each other, running east to west in the north, central, and south parts of the island. The mountainous north coast is heavily wooded. The central part of the island is more flat and is where sugar cane is grown.⁴⁸ The East–West corridor is an urban–industrial conurbation stretching from Port of Spain, the capital, in the west to Arima in the east. San Fernando in the south is Trinidad's second city. Scarborough is the capital of Tobago.⁴⁹

Due to the country's colonial history, agriculture has been traditionally aimed at crops for export to Europe. Sugar, cocoa and coffee are still the most important estate crops, and citrus, rice and coconuts are also grown in large acreages. With 11,000

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid.

hectares, sugar production accounts for approximately 50% of the GDP for agriculture.⁵⁰ Marijuana is the only drug produced naturally in Trinidad and Tobago, both for domestic consumption and export. Local production, which occurs mainly in forested areas and on hillsides throughout Trinidad and Tobago, is supplemented by imports from other Caribbean countries and Colombia. and cultivation occurs in remote forested areas and hillsides throughout the country.⁵¹

Marijuana is identified as the most widely used illegal substance and its popularity has resulted in a very lucrative market in T&T.⁵² While, T&T has fairly large areas of arable land that are available for the growth of marijuana an exact statistic for acreage under cultivation are not available due to the illegality of growing the plants. There are challenges associated with marijuana production on the island which include youth violence and competition for market share in selling the *ganja* and high levels of consumption of the inebriating narcotic. The biggest challenges associated with marijuana actually come with the importation of marijuana. These challenges threaten T&T security and include, the importation of guns and weapons to protect the shipments and drug turfs and illegal migration that the trade attracts and brings into the country. The marijuana trade also produces high volumes of money, which brings us to another major challenge that the Trinidad & Tobago's government has to address, that is, money laundering.

⁵⁰ Ibid.

⁵¹ "National Anti-Drug Plan of The Republic of Trinidad and Tobago 2008-2012," http://www.cicad.oas.org/Fortalecimiento_Institucional/eng/National%20Plans/Trinidad%20and%20Tobago%202008-2012.pdf (accessed June 26, 2012).

⁵² Ibid.

Money Laundering

The geographic vulnerability of Trinidad and Tobago primarily exists as a result of its geostrategic location i.e. between producer countries of South America and consumer markets of the North America and Europe.⁵³ Trinidad and Tobago's geographic structure with 432 kilometers of open coastline provides convenient drop-off and collection points for illicit drugs. Organized crime such as drug trafficking, illegal arms sales and smuggling generate huge sums of money that create the incentive to "legitimize" the ill-gotten gains through money laundering. Accordingly, the Trinidad and Tobago authorities seem to consider illicit drug trafficking to be the primary predicate offence with regard to money laundering. However, The proceeds of Crime Act 2000 criminalizes money laundering related to all "specified offences". Accordingly, offences such as murder, assault, kidnapping and firearms are predicate offences for money laundering.⁵⁴

A recent report by the Caribbean Financial Action Task Force (CFATF) has expressed its concern over the lack of overall review of the effectiveness of the current system for combating money laundering and terrorist financing. The CFATF called for Trinidad & Tobago to adopt a supervisory system, with closer scrutiny of money transfers, and increased co-operation between all financial institutions.⁵⁵

⁵³ David McFadden, "Battle Zones," *Newsday*, http://www.newsday.co.tt/crime_and_court/print,0,149466.html (accessed June 26, 2012).

⁵⁴ "Mutual Evaluation/Detailed Assessment Report on Anti-Money Laundering and Combating the Financing of Terrorism," CFATF, [http://www.cfatf-gaifc.org/downloadables/mer/Trinidad_and_Tobago_3rd_Round_MER_\(Final\)_English.pdf](http://www.cfatf-gaifc.org/downloadables/mer/Trinidad_and_Tobago_3rd_Round_MER_(Final)_English.pdf) (accessed November 22, 2011).

⁵⁵ Lauren A. Evans, "Trinidad and Tobago," IBA Anti-Money Laundering Forum, http://www.anti-moneylaundering.org/Caribbean/Trinidad_y_Tobago.aspx (accessed November 22, 2011).

For countries like Trinidad and Tobago, the systemic risk from money laundering has significantly increased during the past several years. Firstly, the economy has become more open as barriers to trade and financial flows have been eliminated. In addition, T&T has become an important regional financial centre, and that often brings with it the potential to attract both legal and illegal financial flows. Second, while the potential sources of money to be laundered have expanded greatly in recent years, much of this expansion can be linked to the illegal drug trade, which continues to be the most prolific. The fact that the region and the state of T&T are now recognized as important stops on a major north-south route for illegal drugs, this further increases its vulnerability.

Furthermore, money launderers are tenacious in probing financial systems for gaps, and creative for devising new methods to overcome safeguards. While the developed countries have been diligent in updating their legislative and regulatory frameworks to deal with money laundering (particularly after 9/11), the developing countries, Trinidad and Tobago included, have been slow in enhancing their frameworks, in so doing, creating another source of vulnerability.⁵⁶

Recently, a new Financial Institutions Act was enacted in December 2008. Similar amendments are being proposed for the Insurance Bill. Trinidad is part of a region where technological and sometimes judicial advances make it easy to be penetrated by money laundering ventures and activities. Geographically speaking, its

⁵⁶ Ewart Williams, "Anti-Money Laundering and Combating the Financing of Terrorism," Bank for International Settlements, <http://www.bis.org/review/r100122e.pdf> (accessed November 22, 2011).

strategic position between major producer and consumer states of the DTPOs make it a perfect money moving conduit.⁵⁷

Geography

T&T is the southernmost country of the Eastern Caribbean chain of islands which have overlapping maritime zones. The threats of transnational crimes are common to all island states, the vulnerabilities are in many respects similar.⁵⁸ T&T is the southernmost state of 5128 sq. km with a population of 1.5 million. T&T have clearly defined jurisdictional zones under the LOS Convention. It is an archipelagic state with some defined delimited boundaries: for example between the Continental shelves between T&T and Venezuela and T&T and Barbados. Trinidad lies very close to the South American mainland. In fact, at its nearest point, it is 6 miles from Venezuela.⁵⁹ This proximity provides excellent conditions for cross border criminal activities.

Since 1996, successive U.S. administrations have considered Venezuela to be a key drug-trafficking hub, according to the U.S. the Government accountability Office. But now, it says, the amount of cocaine flowing into Venezuela from Colombia, Venezuela's neighbor and the world's top producer of the drug, has skyrocketed, and going from an estimated 60 metric tons in 2004 to 260 metric tons in 2007. That

⁵⁷ David McFadden, "Battle Zones," *Newsday*, http://www.newsday.co.tt/crime_and_court/print,0,149466.html (accessed June 26, 2012).

⁵⁸ Anthony Franklin, "Prevention and Suppression of Transnational Organized Crime," http://www.un.org/depts/los/consultative_process/documents/9_franklin_presentation.pdf (accessed March 21, 2012).

⁵⁹ *Ibid.*

amounted to 17 percent of all the cocaine produced in the Andes in 2007.⁶⁰ This era of Drug Interdiction reorganization in the region, as the American DEA has been expelled from drug hot spot Venezuela.⁶¹ The flow of cocaine to Europe through West Africa from the northern and eastern shores of South America is increasing so fast that counter-narcotics officials call the latitudinal corridor, along the 10th parallel north, that connects the two continents "Interstate 10."⁶² According to the White House Office of National Drug Control Policy, about a third of the 750 tons of cocaine produced in South America each year is sold in Europe. Of that, a third to a half passes through West Africa en route to Spain, Britain and elsewhere. One indication of the rising traffic is the fact that since 2005, an average of more than 10 tons of cocaine per year has been seized in West Africa or off its shores an increase of more than 10 times the previous year.⁶³ There is great convenience in the geographic location of the South Eastern Caribbean states especially Trinidad and Tobago. T&T being so close to Venezuela coupled with recent transitions in the flow of illegal narcotics towards West Africa and Europe make T&T a prime location for drug trafficking. Go-fast boats often leave the Venezuelan coast stop in T&T and then make their way by night towards the coast of West Africa, covering themselves with blue tarps during the day to remain undetected.

⁶⁰ Juan Forero, "*Venezuela's Drug Trafficking Role is Growing Fast, U.S. Report Says*," Washington post, <http://www.washingtonpost.com/wp-dyn/content/article/2009/07/18/AR2009071801785.html?hpid=moreheadlines> (accessed November 22, 2011).

⁶¹ "*Venezuela Says No To Cooperation With DEA, Accuses Agents Of Spying*," Common Sense for Drug Policy, <http://www.csdp.org/news/news/colombia.htm> (accessed November 22, 2011).

⁶² Ibid.

⁶³ Chris Kraul, "*West Africa Gets Help Fighting South American Drug Traffickers*," Los Angeles Times, <http://articles.latimes.com/2009/feb/13/world/fg-colombia-africa-drugs13> (accessed November 22, 2011).

St. Vincent and the Grenadines Country Analysis

The population of SVG is estimated to be 103,869 with about a quarter of the people living in the capital, Kingstown and its suburbs and 8% on the Grenadines. The ethnic mix consists of black 66%, mixed 19%, East Indian 6%, European 4%, and Carib Amerindian 2%, others 3%. The labor force is estimated at 41,000. Recent data indicates an unemployment rate of 15%.⁶⁴

Success of the SVG economy hinges upon seasonal variations in agriculture, tourism, and construction activity as well as remittance inflows. Much of the workforce is employed in banana production and tourism, but persistent high unemployment has prompted many to leave the islands.⁶⁵ This lower-middle-income country is vulnerable to natural disasters - tropical storms wiped out substantial portions of crops in 1994, 1995, and 2002. In 2008, the islands had more than 200,000 tourist arrivals, mostly to the Grenadines, a drop of nearly 20% from 2007. Saint Vincent is home to a small offshore banking sector and has moved to adopt international regulatory standards.⁶⁶

The government of SVG's ability to invest in social programs and respond to external shocks is constrained by its high public debt burden, which was over 90% of GDP at the end of 2010. Following the global downturn, St. Vincent and the Grenadines saw an economic decline in 2009, after slowing since 2006, when GDP growth reached a 10-year high of nearly 7%. The Gonsalves' administration is directing government resources to infrastructure projects, including a new international airport that is expected

⁶⁴ "Central America and Caribbean: Saint Vincent and the Grenadines," Central Intelligence Agency, <https://www.cia.gov/library/publications/the-world-factbook/geos/vc.html> (accessed December 23, 2011).

⁶⁵ Ibid.

⁶⁶ Ibid.

to be completed by 2014.⁶⁷

St. Vincent and the Grenadines' currency is the Eastern Caribbean Dollar (EC\$), a regional currency shared among members of the Eastern Caribbean Currency Union (ECCU). The Eastern Caribbean Central Bank (ECCB) issues the EC\$, manages monetary policy, and regulates and supervises commercial banking activities in its member countries. The ECCB has kept the EC\$ pegged at EC\$2.7=U.S. \$1.⁶⁸ St. Vincent and the Grenadines is also a beneficiary of the U.S. Caribbean Basin Initiative that grants duty-free entry into the United States for many goods. St. Vincent and the Grenadines also belongs to the predominantly English-speaking Caribbean Community and Common Market (CARICOM) and the CARICOM Single Market and Economy (CSME).⁶⁹

In recent years, SVG unemployment rates have been held at 15% and the country has experienced a major problem with rising crime.⁶² Regional trade of DTPOs has also increased with Trinidad and Tobago sending cannabis and guns by vessel to St. Vincent and the Grenadines in exchange for cannabis. There has been a marked increase in cash flowing through money remittance systems as well.⁷⁰ As the main producer of cannabis in the region, the farmers in the hilly areas are a mixture of nationalities such as Antiguan, Barbadian, Dominican, Trinidadian, Jamaican, Grenadian, Kittitian, and St. Lucian. The farmers are compressing the dried product with hydraulic jacks and labeling

⁶⁷ Ibid.

⁶⁸ Ibid.

⁶⁹ Ibid.

⁷⁰ Ibid.

the product with logos and signs, such as “XXX”, “KILL”, “MS 13”, “666”, and “777.”.⁷¹

Political Environment

SVG is a multi-island State situated in the Eastern Caribbean. It is part of the Windward Islands in the island chain called the Lesser Antilles, and is located approximately 1600 miles southeast of Miami and 100 miles west of Barbados. SVG comprises mainland St. Vincent, which is the largest geographically, and 31 other islands and cays, seven of which are inhabited, namely Bequia, Mustique, Union Island, Canouan, Petit St. Vincent, Palm Island and Mayreau. SVG has a combined land mass of 389 sq km.⁷²

SVG gained its full independence from the United Kingdom in 1979. It is a common law jurisdiction operating under a democratic system of Government with a unicameral legislature (House of Assembly). General elections are held every five years. SVG has a written Constitution, which provides for the separation of powers among the Governor General, the Parliament/legislature.⁷³

The Prime Minister, Ralph Gonsalves, head of the Unity Labor Party (ULP) took power from the New Democratic Party (NDP) which had ruled for seventeen years, in the March 2001 elections. The ULP was formed through a coalition of the St. Vincent Labor Party (SVLP) and the Movement for National Unity (MNU). The main opposition party

⁷¹ Ibid.

⁷² “*St. Vincent and the Grenadines: Detailed Assessment Report on Anti-Money Laundering and Combating the Financing of Terrorism*,” International Monetary Fund, <http://www.imf.org/external/pubs/ft/scr/2010/cr10311.pdf> (accessed November 23, 2011).

⁷³ Ibid.

is the New Democratic Party (NDP). The unicameral House of Assembly has 21 members, with 15 elected representatives and 6 appointed senators. The Cabinet is appointed by the Governor General on the advice of the Prime Minister. Elections are held every five years.⁷⁴

National Security

The Royal St. Vincent Police, the only security force in the country, includes a coast guard and a small Special Services Unit with some paramilitary training. The security force was controlled by and responsive to the Government, but some members of the security force committed human rights abuses.⁷⁵ The Royal St. Vincent Police has an overall force of 691, including 57 in the fire service, 74 in the coast guard, and 20 cadets. There is also a small Special Services Unit with some paramilitary training, which occasionally has been accused of using excessive force.⁷⁶ The Government established an Oversight Committee to monitor police activity and hear public complaints about police misconduct. The committee reported to the Minister of National Security and to the Minister of Legal Affairs and actively participated in investigations during the year. In September, the Saint Vincent and the Grenadines Human Rights Association (SVGHRA) conducted a seminar on human rights for police cadets.⁷⁷

⁷⁴ Ibid.

⁷⁵ Robert Winslow, "A *Comparative Criminology Tour of the World*," San Diego State University, <http://www-rohan.sdsu.edu/faculty/rwinslow/namerica/stvincentgrenadines.html> (accessed November 25, 2012).

⁷⁶ Ibid.

⁷⁷ Ibid.

There have been complaints by citizens of police abuse of power, including the use of physical force during detention, illegal search and seizure, and failure to inform those arrested of their rights. SVGHRA complained that the government does not investigate allegations of abuse adequately, nor does it punish policemen responsible for abuses. Prison conditions are poor. Prison buildings were antiquated and overcrowded, with Her Majesty's Prison in Kingstown holding more than 351 inmates in a building designed for 75. These conditions resulted in serious health and safety problems. Pretrial detainees and young offenders (16 to 21 years of age) were held with convicted prisoners, although the Government was building a new facility for them and hiring new prison officers at year's end.

During 2010, 459 drug related cases were reported, also during this same period 268 convictions, 79 cases pending, 3 cases dismissed, 14 cases were under investigation. Also during 2010, there were 361 persons arrested for drug offenses, 17 of whom were foreigners, 321 for cannabis and 44 for cocaine. Six of those arrested were under the age of 16 years, and 45 were between the age of 16 and 19.⁷⁸ According to the St. Vincent and the Grenadines police, they need more logistical support for their operations. The drug business has infiltrated segments of the population, causing a dependence on the cannabis trade, and the government will need more than just enforcement support to combat the long term effects of the drug trade.⁷⁹

⁷⁸ "2011 INCSR: Country Reports - Croatia through Haiti," Bureau of Public Affairs, <http://www.state.gov/p/inl/rls/nrcrpt/2011/vol1/156360.htm> (accessed November 29, 2012).

⁷⁹ Ibid.

Arable Land

St. Vincent and the Grenadines continues to be one of the largest producers of cannabis in the Eastern Caribbean and the source for most of the cannabis consumed in the region.⁸⁰ The northern half of St. Vincent has extensive tracts of land under drug cultivation; this area is near the La Soufriere volcano with steep 4,000 feet high slopes, narrow ridges and dense forests. According to SVG officials, the police have also seen an increase in movement of cocaine in airports via false bottomed suitcases carried by both locals and foreigners.⁸¹

St. Vincent and the Grenadines UN ambassador Camillo Gonsalves said of the drug trade, that SVG was “particularly apt” for challenges associated with drug trade activities, noting the country’s 32 islands, rugged coastlines and vast seascape are patrolled by “a mere handful of coast guard vessels”.⁸² In a 2009 speech protesting the closure of Caribbean field office of the United Nations Office on Drug and Crime, Gonsalves warned that the justice system in SVG was overcrowded and congested with drug-related crimes and criminals.⁸³ Furthermore, Mr. Gonzalves admonishes that the ease with which a single, relatively minor drug baron can threaten the very foundations of our region’s small societies cannot be overstated enough. In countries like SVG, with only a few hundred, largely unarmed, law enforcement officers, one heavily armed drug

⁸⁰ Ibid.

⁸¹ Ibid.

⁸² Kenton X. Chance, "*Gonsalves: SVG Among Caribbean's Biggest Marijuana Producer*," I-Witness News Report, <http://i-witness-news.com/2009/11/10/gonsalves-svg-is-caribbean%E2%80%99s-biggest-marijuana-producer/> (accessed June 28, 2012).

⁸³ Ibid.

gang can seriously threaten to undermine the state's legitimate monopoly on coercive force.⁸⁴

Conversely, as a matter of policy, the governments of the Eastern Caribbean do not encourage or facilitate the illicit production or distribution of narcotic or psychotropic drugs or other controlled substances, or the laundering of proceeds from illegal drug transactions.⁸⁵ No senior government officials in the Eastern Caribbean were reported as having been prosecuted in 2010 for engaging in or facilitating the illicit production or distribution of controlled drugs or laundering of proceeds from illegal drug transactions. News media, however, routinely report on instances of corruption reaching high levels of government that are not investigated or go unpunished. U.S. governmental analysts believe drug trafficking organizations continue to elude law enforcement agencies through bribery, influence or coercion.⁸⁶

Money Laundering

SVG, as is the case with other countries in the Caribbean, is exposed to money laundering.⁸⁷ The principal predicate offenses which have generated illegal proceeds that are laundered include drug offenses, burglary, theft, and unlawful possession. A portion of the drug offenses relate to activities involving other jurisdictions. There are no

⁸⁴ Ibid.

⁸⁵ "2011 INCSR: Country Reports - Croatia through Haiti," Bureau of Public Affairs, <http://www.state.gov/p/inl/rls/nrcrpt/2011/vol1/156360.htm> (accessed November 29, 2012).

⁸⁶ Ibid.

⁸⁷ "St. Vincent and the Grenadines: Detailed Assessment Report on Anti-Money Laundering and Combating the Financing of Terrorism," International Monetary Fund, <http://www.imf.org/external/pubs/ft/scr/2010/cr10311.pdf> (accessed November 23, 2011).

estimates for the proceeds of crime or of the amount laundered in or from within SVG annually. The authorities maintain that money laundering methods used in SVG have remained relatively consistent over the years.⁸⁸ This includes smuggling of monies into the country through the official ports of entry, and by sea through its many islands and cays. Other methods include use of money remittance business, nominees or third parties to hold assets. Cash intensive front business such as boutiques and car rental companies are also used for reinvestment and distribution of illicit drugs.

There is, nonetheless, a growing threat of money laundering in the international financial sectors arising from crimes committed abroad. Except for the number of offshore banks which has declined in recent years, the other international sectors have grown moderately in the past few years including e.g. mutual funds, trusts and company services, and the insurance sectors. There has also been potential for money laundering in the through tourism sector e.g. through real estate transactions and other related businesses such as hotels, restaurants, jewelers, and other support services.⁸⁹

Archipelagian Paradigm

The Caribbean countries are at a disadvantage in many ways in today's global competitive environment because their comparative advantage in cheap labor or natural resource endowments has become less relevant, characteristics of these countries often include⁹⁰:

⁸⁸ Ibid., 22.

⁸⁹ Ibid.

⁹⁰ Jacqueline A. Morris, "*Challenges for the Caribbean*," Report of the Working Group on Internet Governance, http://www.wgig.org/docs/book/Jacqueline_A._Morris%20.pdf (accessed February 2, 2012).

- Low living standards (i.e. low real income per capita) associated with high income inequality, poor health and inadequate education and limited life expectancy;
- Low levels of productivity; unskilled labor; weak management practices;
- High population growth rate;
- Large-scale unemployment and underemployment;
- A small industrial sector with outdated technology unable to employ large numbers of workers;
- Large but neglected agricultural sector and migration from rural to urban areas;
- Market inadequacies;
- Limited technology, infrastructure, and social and political institutions;
- Low social capital and social cohesion

Of course, the Caribbean countries vary in terms of these features, but it in this case it is useful to look at the commonalities while acknowledging the differences. T&T and SVG are in fact contra distinct, they represent different parts of the same spectrum of a major problem in the South Eastern Caribbean region. A problem that can only really be dealt with through what this dissertation indentifies as an archipelagian paradigm of analysis. This analysis must take into account the special geographic locations and the regions position between hegemonic powers, and what this means for small states already so susceptible to exogenous changes. The history and economic development of the region must also be evaluated. This is a region in transition, these maturing states, have shifted from colonial underlings to independent states that are attempting to establish sustainable development and economic progress.

The profound impact that organized crime has on the Caribbean state structures undermines the ability of the state to provide services, to protect people, to maintain the trust of citizens in government and democracy, and to enforce the law. In turn, weak government structures, inequality and the lack of economic opportunities feed criminal activities. These states are faced with increased violence related to organized crime and a public demand for immediate action, governments often respond with strong security measures such as the three month long State of Emergency recently experienced in Trinidad while paying less attention to some of the key structural causes of illicit activities. It is thus important for the national, regional and international communities to understand the complex relation between organized crime and governance in order to suggest, promote, and support better strategies to tackle and prevent this threat to the stability of states.

Social, Political and Economic Evaluations

T&T has fairly acceptable social indicators compared with most of the rest of the Anglophone Caribbean including impressive GDP of 26.15 billion US (2011 est.).⁹¹ As viewed in Table 1 below, Trinidad and Tobago's HDI value for 2011 is 0.760—in the high human development category—positioning the country at 62 out of 187 countries and territories.⁹² Between 1980 and 2011, Trinidad and Tobago's HDI value increased from 0.673 to 0.760, an increase of 13.0 per cent or average annual increase of about 0.4 per cent. Trinidad and Tobago's 2011 HDI of 0.760 is above the average of 0.741 for

⁹¹ U.S. Department of State, "*Trinidad and Tobago*," <http://www.state.gov/j/drl/rls/hrrpt/2004/41776.htm> (accessed June 26, 2012).

⁹² UN Development Programme, "*Trinidad and Tobago Country Profile: Human Development Indicators*," <http://hdrstats.undp.org/en/countries/profiles/TTO.html> (accessed June 28, 2012).

countries in the high human development group and above the average of 0.731 for countries in Latin America and the Caribbean.⁹³ From Latin America and the Caribbean, countries which are close to Trinidad and Tobago in 2011 HDI rank and population size are Bahamas and Jamaica which have HDIs ranked 53 and 79 respectively.

T&T has fallen from 31st place in 2001 to 91st in 2011 in the ranking of Transparency International's Corruption Perception Index (see Table 2 below).⁹⁴ World Bank's Governance Indicators for the country, especially those for political stability and rule of law, have also deteriorated since 2006 (see Tables 3,4 and 5 below). The prevalence of organized crime and corruption are elements that contribute to the overall deterioration of the Global Competitiveness Index.⁹⁵

Inefficiency in the judicial system in dealing with criminal cases is also a visible sign of deteriorating institutional capacities. According to a report Angélica Durán Martínez of the European Think Tank FRIDE, it takes more than two years to take a murder case to the High Court. Less than a quarter of the cases where there is a suspect are solved, and gang and drug-related murders have the highest rates of impunity. Similarly, judicial charges in high profile cases are often dismissed, such as those of Barry Alphonse, leader of the Gambino gang, and Abu Bakr, leader of Jamaat al Muslimeen.⁹⁶

⁹³ Ibid.

⁹⁴ "Trinidad and Tobago Transparency Institute: Results of 2011 Corruption Perceptions Index," Transparency International, http://www.transparency.org/news/pressrelease/20111130_cpi_tt (accessed June 28, 2011).

⁹⁵ Angélica Durán Martínez, "Trinidad and Tobago Country Report," FRIDE, www.fride.org/descarga/com_trinitoba_eng_may07.pdf (accessed June 28, 2012).

⁹⁶ Ibid.

St. Vincent and the Grenadines on the other hand, with a much smaller population and limited infrastructure and economic capacity, has a much smaller GDP 1.224 Billion U.S.(2011 est.), and is experiencing a negative GDP growth rate of - 0.4% (2011 est), which could be owed to sharply weakened activities in the tourism, construction and agriculture sectors.⁹⁷ As seen in Table 1 below, SVG's, HDI value for 2011 is 0.717—in the high human development category—positioning the country at 85 out of 187 countries and territories.⁹⁸ Between 2010 and 2011, Saint Vincent and the Grenadines' HDI value increased from 0.715 to 0.717, an increase of about 0.3 per cent.⁹⁹ Saint Vincent and the Grenadines' 2011 HDI of 0.717 is below the average of 0.741 for countries in the high human development group and below the average of 0.731 for countries in Latin America and the Caribbean (see Table 1. below). Also critical to note, is the crucial role remittances play in Saint Vincent and the Grenadines.¹⁰⁰ For instance, more emphasis needs to focus on developing best practices relevant to the country's regulatory and supervisory systems to address growing money laundering concerns. Additionally, in SVG, the political development indicators including: Rule of Law, Political Stability Index, Rule of Law and Government Effectiveness have all seen increases (see Tables 3,4 and 5 below). While these statistics do show some promise for

⁹⁷ “*Central America and Caribbean: Saint Vincent and the Grenadines*,” Central Intelligence Agency <https://www.cia.gov/library/publications/the-world-factbook/geos/vc.html> (accessed December 23, 2011).

⁹⁸ UN Development Programme, “*Saint Vincent and the Grenadines Country Profile: Human Development Indicators*,” <http://hdrstats.undp.org/en/countries/profiles/VCT.html> (accessed June 28, 2012).

⁹⁹ Ibid.

¹⁰⁰ Ibid.

SVG, the continuing sluggishness in economic activity, especially in manufacturing, tourism and the distributive trades, coupled with the ongoing difficulties in bananas' agriculture, contributed to some stagnation in the levels of employment.¹⁰¹ The Country Poverty assessment of 2008 found evidence of high levels of unemployment and underemployment.¹⁰² There is also evidence that some sections of the labor force have opted out of the formal market in favor of the underground economy, in particular growing marijuana. The national unemployment rate is 18.8 % (2008 est), the unemployment rate of the poor was 25.3 %.¹⁰³

Table 1. Human Development Indices 1980-2011

Country	1980	1990	2000	2005	2009	2010	2011
Trinidad and Tobago	0.673	0.676	0.701	0.728	0.755	0.758	0.76
St. Vincent and the Grenadines	n/a	n/a	n/a	n/a	n/a	0.715	0.717

Table 1¹⁰⁴

¹⁰¹ UN Development Programme, "Saint Vincent and the Grenadines Country Profile: Human Development Indicators," <http://hdrstats.undp.org/en/countries/profiles/VCT.html> (accessed June 28, 2012).

¹⁰² "St. Vincent and the Grenadines - Introduction," UNDP Barbados and the OECS, <http://www.bb.undp.org/index.php?page=st-vincent-and-the-grenadines> (accessed February 2, 2012).

¹⁰³ Ibid.

¹⁰⁴ UNDP Human Development Programme "Human Development Country reports between 1980 and 2011," http://hdr.undp.org/xmlsearch/reportSearch?y=*%&c=r:Latin+America+and+the+Caribbean&t=*%&lang=en&k=&orderby=year (accessed July 20, 2012)

*Note: The measurement used to show the level of human development in a specific state and is out of 1.

Table 2. Transparency International Indices 2002- 2011

Country	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
CPI										
Trinidad and Tobago	4.9	4.6	4.2	3.8	3.2	3.4	3.6	3.6	3.6	3.2
St. Vincent and the Grenadines	n/a	n/a	n/a	n/a	n/a	6.1	6.5	6.4	n/a	5.8
Rank										
Trinidad and Tobago	33/ 102	43/1 33	51/ 146	59/ 159	79/ 163	79/ 180	72/ 180	79/ 180	73/ 178	91/ 183
St. Vincent and the Grenadines	n/a	n/a	n/a	n/a	n/a	30/ 180	28/ 180	31/ 180	n/a	36/ 183

Table 2.¹⁰⁵

¹⁰⁵ Transparency International "Corruption Perception Index reports 2001 through 2011," <http://www.transparency.org/research/cpi/overview> (accessed July 20, 2012) *Note: The CPI is the Corruption Perception index scored between 10 (being the highest) and 1 (being the lowest) and the ranking is out of the number of countries examined that year by Transparency International.

Table 3. Political Stability Indices 1996-2010

Country	1996	1998	2000	2002	2004	2006	2008	2010
Estimate								
Trinidad and Tobago	0.210529	0.372698	0.057962	-0.17864	-0.07803	-0.23882	-0.09649	0.03543
St. Vincent and the Grenadines	0.967534	1.078302	1.132979	0.292087	1.181951	1.071336	0.816035	0.92014
Rank								
Trinidad and Tobago	52.9	59.1	49.5	39.9	41.8	38.5	40.4	43.9
St. Vincent and the Grenadines	80.3	86.1	87.0	56.3	89.9	85.6	75.0	79.2

Table 3.¹⁰⁶

¹⁰⁶ World Bank "Governance indicators 1996-2010," http://info.worldbank.org/governance/wgi/sc_country.asp (accessed July 20, 2012).

*Note: Political Stability reflects perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism. Rank in the percentile among all countries that were surveyed that range from 0 (lowest) to 100 (highest) rank) Estimate of governance (ranges from approximately -2.5 (weak) to 2.5 (strong) in governance performance

Table 4. Government Effectiveness Indices 1996-2010

Country	1996	1998	2000	2002	2004	2006	2008	2010
Estimate								
Trinidad and Tobago	-0.03348	0.335843	0.481287	0.332454	0.349145	0.161959	0.186672	0.25454
St. Vincent and the Grenadines	n/a	-0.16783	0.056697	-0.17118	0.079472	0.718509	0.700819	0.722877
Rank								
Trinidad and Tobago	55.61	65.37	70.24	64.88	67.80	60.49	59.22	63.64
St. Vincent and the Grenadines	n/a	49.27	59.02	51.71	60.49	74.15	74.76	73.68

Table 4. ¹⁰⁷

¹⁰⁷ World Bank "Governance indicators 1996-2010," http://info.worldbank.org/governance/wgi/sc_country.asp (accessed July 20, 2012).

*Note: Government Effectiveness reflects perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies. Rank in the percentile among all countries that were survey that range from 0(lowest) to 100(highest) rank) Estimate of governance (ranges from approximately -2.5(weak) to 2.5(strong) in governance performance.

Table 5. Rule of Law indices

Rule of Law	1996	1998	2000	2002	2004	2006	2008	2010
Estimate								
Trinidad and Tobago	0.460583	0.421373	0.379955	0.347397	-0.05833	-0.31542	0.27043	0.22414
St. Vincent and the Grenadines	n/a	-0.33081	0.453898	0.586763	0.732523	0.844863	0.8967	0.86164
Rank								
Trinidad and Tobago	65.07	64.59	62.68	62.68	51.67	45.93	47.60	47.87
St. Vincent and the Grenadines	n/a	42.58	64.59	66.99	72.25	74.16	80.29	75.36

Table 5.¹⁰⁸

¹⁰⁸ World Bank "Governance indicators 1996-2010," http://info.worldbank.org/governance/wgi/sc_country.asp (accessed July 20, 2012).

*Note: Rule of law reflects perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence. Rank in the percentile among all countries that were surveyed that range from 0(lowest) to 100(highest) rank). Estimate of governance (ranges from approximately -2.5(weak) to 2.5(strong) in governance performance).

T&T and SVG are facing a series of challenges relating to drug trafficking.

However the complexity of the drug trade and the crime it engenders force us to go beyond single-country case studies solely based on the statistical finding of research outlets like Human Development Index and Corruption index. The drug trade phenomenon might be further effectively be analyzed through both national and regional comparative study that encompasses the major statistics from international outlets like the UNDOC, major political and economic theories and primary data collection expressing what is actually taking place in happening in the individual states and the greater region.

In the case of T&T many local advocates and academics and even many of the interviewees for the primary research in this study, would argue that the level of economic development, infrastructural improvements, high levels of police presence means that the threat of drug trafficking and production is not as high as in many smaller Caribbean states. This is not the case, T&T is still quite susceptible to the exogenous effects of the greater international markets and powers. The Caribbean region even richer states like T&T still rely on the use of aid and foreign investment. The region is still open to challenges due to security limitations including citizens confidence in the government and the police, high levels of corruption in the judicial and executive branches of government, and porous borders no matter how affluent or meager the political economy.

CHAPTER IV

RESULTS ANALYSIS FOR TRINIDAD AND TOBAGO

Overview

The results and analysis section of this dissertation is organized and presented in two parts, chapter IV and chapter V. As was first mentioned in chapter I, this research contrived to answer a central research question and several sub-questions:

Central Research Question

Are factors of comparative and competitive advantages the primary drivers of the development of the narcotics trade in the Southeastern Caribbean islands?

Sub-questions

1. To what extent is drug trafficking a major problem for the region?
2. What are the comparative and competitive determinants of drug trafficking in the Southeastern Caribbean islands?
3. Does supply and demand only become important due to comparative factor endowments?
4. What are the implications of this research for the Greater Caribbean region?

First, a data analysis summary of the interviewees' responses to the research questions for Trinidad & Tobago (T&T) will be discussed in this chapter. Secondly, in chapter V another data analysis summary of the interviewees' responses to the research questions for St. Vincent and the Grenadines (SVG) will be discussed.

Interviews were conducted with many of the current and former national security policy and executive decision makers of T&T, as well as SVG. Twenty (20) Elite interviews were conducted in T&T and six (6) in SVG. Demographically, the interviewees had a wealth of experience in the field of National security in common.

The analysis for the responses in Trinidad and Tobago has been organized so that the questions asked during the field research that was conducted, directly answered the central research sub-questions. Each interviewee was given a handout which was sanctioned by the Institutional review board of Clark Atlanta University, each handout had the research questions, a permission slip and a summary of the research in question (See Appendix 2). Interview responses have been summarized and can be referenced in the first section of this chapter in Figures 4.1-4.15. Followed by a more in-depth presentation of the responses and the analysis of the researcher.

Trinidad and Tobago's Summarized Data Analysis

The central research question in this study queried whether factors of comparative and competitive advantage were the primary drivers of the development of the narcotics trade in the Southeastern Caribbean islands. Below are the summarized results for each of the research questions.

Figure 4.1. To What Extent Is Drug Trade Operations A Major Problem for the Region?

Summary	Summarized Interview Responses
<p>Drug trafficking is in fact a major problem for the region. The information gathered and summarized from the interviews conducted all cited drug trafficking as a threat to the region's political, social and economic development. It is through the systemic weaknesses of many of the islands' state capabilities that have left the islands open to DTPO penetration.</p>	<ul style="list-style-type: none"> • Easterly routes due to pressure on DTPOs in Mexico and Central America have made the region an increasingly better geographic route. • High price for cocaine in Eastern Europe and Asia and the emergence of West Africa as a drug trafficking hub, has caused the region to get a lot of attention from organized crime there as these organizations create new routes and make connections in the region. • Weak regional economic development has left many of the Caribbean states with high unemployment rates, large groups of displaced youths and individuals for a way to provide for themselves and their families. • The region is often identified by the DTPOs as having lax police and drug interdiction and money laundering legislation and efforts, in small states officials who aren't making a lot of money can be bought off. • Organization of the drug interdiction efforts is often decentralized and there is not a high level of trust amongst regional organizations. • Globalization and the effects of American and European values on Caribbean citizens have made a profound influence. Many youth emulate the drug lords and the easy money that can be made from the trade that is often romanticized in the media and on movies. • The demise for the markets in sugar, bananas, and tourism have left the region in need of economic viability in many islands, the arable land is being used for marijuana production.

Figure 4.2. To What Extent Is Drug Trade Operations A Major Problem for Trinidad and Tobago?

Summary	Summarized Interview Responses
<p>Drug trafficking is a major challenge to the governance of Trinidad and Tobago. The drug trade itself has a number of effects including corruption murder and violence. It has also contributed to cultural and social decay as, many young people see it as an easy way of making lots of money and have accepted the use of drugs such as marijuana as having no negative effects. DTPOs attract large international crime organizations and corrupt some legitimate businesses and state institutions unweaving the fabric of legitimate objectives.</p>	<ul style="list-style-type: none"> • T&T especially is very close to Venezuela, which appears to be one of the major sources of the cocaine that is being stopped on the Mexico and Central American routes. • When it comes to drug production, often farmers see no other feasible ways to make a living other than planting marijuana. • The rising social, political and economic impacts of the drug trafficking are becoming more obvious to both the local and international communities through higher crime rates, youth violence and apparent cultural acceptance of the use of drugs such as marijuana. • Corruption of the political and economic structure as politician and businessmen are caught up in scandal and bribery. • Globalization and the effects of American and European values on T&T citizens have had a profound influence. Many youth desire the easy money that can be made from the trade that is often romanticized in the media and on movies. • The rule of thumb is that only 10-20% of the drug traffic is actually seized. We can only imagine the amounts that authorities are not accounting for.

Figure 4.3. What are the Major Types of Drug Trafficking Organizations Active in Trinidad and Tobago?

	Summarized Interview Responses
The types of organizations that control and conduct the logistics and drug trafficking as a business range from the highly organized drug conglomerate which take part in money laundering, and international transshipment, to the smaller street level gangs that sell the drugs domestically.	<ul style="list-style-type: none"> • Larger international organizations based in West Africa, Eastern and Western Europe, America, Venezuela and Colombia • Smaller T&T-wide based organizations • Street gangs • Smaller street based organizations. • Individuals who attempt and are successful in moving small amounts of drugs through the borders

Figure 4.4. Is It Drug Trafficking or Drug Production That Is More Active in Trinidad and Tobago? What Are the Major Activities Associated With Drug Trade Operations?

Summary	Summarized Interview Responses
Trinidad and Tobago has its largest challenge with DTPOs with the problem of trafficking of cocaine and marijuana. T&T is mostly used as a transshipment point for cocaine although there is some local use. There is a very lucrative market for marijuana and most of the T&T marijuana is imported from SVG and Jamaica. The government of T&T has made great strides in battling local production of marijuana.	<ul style="list-style-type: none"> • In a state like T&T trafficking has emerged as more prevalent than the drug production. • In terms of use T&T consumers tend to abuse marijuana more than cocaine even though there is crack and cocaine use. • Challenges have emerged in controlling the importation of more potent and popular marijuana species/grades from Jamaica and St. Vincent and the Grenadines. <p>Popular methods of trafficking include:</p> <ul style="list-style-type: none"> • Smuggling on fishing boats collecting the contraband out at sea or on the Venezuelan coast. • Smuggling the drugs on bigger boats. • Drug mules on commercial flights. • Yachts, which are referred to as sleepers are often left in T&T or in other Caribbean states and are used for trafficking during the dry season. • Large commercial ships and shipping containers have been known to pass through T&T with tons of cocaine or marijuana.

Figure 4.5. What Are the Major Effects of the Illegal Drug Trade to Trinidad and Tobago's Economic, Social and Political Development (These Can Be Threats or Benefits)?

Summary	Summarized Interview Responses
<p>The effects of DTPOs are numerous and are apparent in the social, political and economic spheres of T&T governance.</p>	<ul style="list-style-type: none"> • Gang activity and gang violence for greater amounts of the drug market or the trafficking routes. • Money laundering through legitimate and illegitimate businesses. • Corruption of high-ranking and lower-ranking public servants. • The corruption has made the population very distrusting of organizations like the T&TPS. • Influences workings of the state. • Social decay, in terms of the youth, as they start to emulate the gangster drug don lifestyle of easy money, fast cars, drugs and violence. • Social challenges including very low rate of beginning conscious drug use which in T&T is between the ages of 10 and 11. • Increased criminal activity as DTPOs also tend to use and bring in human trafficking and gun smuggling. • Small villages become organized around a DTPO or drug don they employ who protects these villages. • Smugglers sometimes hide drugs or even cash in commodities such as fridges or washing machines etc.

Figure 4.6. What Are the Trinidad and Tobago's Capabilities to Combat Drug Trade Operations?

Summary	Summarized Interview Responses
<p>T&T has much higher drug interdiction capabilities than the average regional state, but is still faced with numerous challenges in their efforts to curb the penetration of DTPOs and their effects. The methods with which the current T&T government has chosen to combat these effects and the proliferation of drug trafficking has also emerged as problematic. Many of the effect technologies and organizations such as the Special Anti-Crime Unit have been abandoned or disbanded. Crime, including drug trafficking, murder and gang violence has hit record heights and the government has faced major challenges in trying to combat them.</p>	<ul style="list-style-type: none"> • T&T has 7000 police officers serving their 1.3 million people population. • Trinidad has partnerships with the UK, America, Europe and Canada, sharing intelligence and sometimes even carrying out joint operations. • T&T have radar and sonar technologies and helicopters at their disposal. • Trinidad does have some limitations when it comes to the cohesive nature of the various protection agencies; there is a high level of distrust due to corruption. • The Trinidad defense force is one of the largest in the region, and includes a coast guard and naval resources. • Even though Trinidad possesses resources to patrol the coasts and fields, or even the extremely bad areas, it still needs more to be more effective in its operations. • Trinidad has a very dynamic defense ministry, with factions dedicated to supply prevention and demand reduction, education, youth development, Anti-Money-laundering, and Special forces. • The police force has made some fairly strong interdiction efforts against the growth of marijuana, but the importation of the drug has become a problem. • High levels of corruption. • Changes in the political landscape of T&T, often causes major changes in the organizations that defend it constant change can be problematic. • Many of the established security agencies have recently been dismantled by the current government leaving a void in the security sector.

Figure 4.7. What Are the Regions Capabilities to Combat Drug Trade Operations and Are These Capabilities Sufficient Enough By Your Estimation?

Summary	Summarized Interview Responses
<p>The Caribbean islands have varying degrees of drug interdiction capabilities. The most successful efforts seem to emerge from joint resolutions between island states or even with assistance or joint efforts places like the U.S., Canada or Europe.</p>	<ul style="list-style-type: none"> • Unfortunately, most states in the Caribbean region tend to depend too heavily on the aid and currents of focus of more developed states. • Some states are much better equipped legislatively and tactically to battle the drug war, while others are much weaker. • Limited national funds are available for drug interdiction efforts. • Many of the less developed states in the region are too reliant on external funding and aid. • Much of the funding for counter-narcotics, coming from developed states like the U.S. and the UK has decreased in this global depressed economy. • The British Royal Navy has dropped their warship patrols in the Caribbean. • There is very little regional cohesiveness in terms of intelligence sharing and drug interdiction efforts. • There is an overall lack of the latest technologies. • Some of the more traditional methods of crime fighting have not been effective. • Many of the larger Caribbean states are able to assist smaller states in their drug interdiction efforts (Example T&T and SVG and their joint marijuana eradication efforts).

Figure 4.8. What Are the Major Comparative and Competitive Advantages in Drug Trafficking Operations in Trinidad and Tobago?

Summary	Summarized Interview Responses
<p>The comparative and competitive advantages that T&T has in DTPOs are related especially their trafficking efforts. These advantages emerge from a number of factors, Firstly, weakened state-run capabilities such as money laundering legislation and opportunities. Geographic position also has a major place in the role T&T has in the regional DTPO trade. Trinidad's position as a major hub of commodities and one of the region's more developed states also allows for more air traffic and trade coming out and through T&T which also attracts DTPOs. The historical legacy of Caribbean states trying to develop in an ever evolving post-independence global environment has left challenges to states like T&T that once relied heavily on agriculture.</p>	<ul style="list-style-type: none"> • Money laundering and the illegitimate and legitimate business conducting it. • T&T is a locus of regional trade and air traffic with hundreds of flights coming and going each day. • High levels of unemployment and lower levels of education in high poverty areas attract gang activity, violence and DTPOs. • Legitimate business between T&T, U.S., and Europe, allows for established trading routes for illegitimate business. • Cultural acceptance of marijuana as not being a dangerous drug. • Political will and in most instances the lack of it. • Challenges associated with, Inter-organizational cohesiveness and a culture of corruption and Population's faith in organizations such as the TTPS • Geography for T&T geo-spatial considerations are most important, T&T's close proximity to Venezuela and Guyana, T&T's many coves and smaller islands off the coast, the rougher North Coast and other areas are less policed

Figure 4.9. How Important Are These Comparative and Competitive Advantages To Drug Trade Operations In Trinidad and Tobago?

Summary	Summarized Interview Responses
<p>These comparative and competitive advantages are very important to our analysis of the problem of DTPOs in the region and they relate many of the systemic weaknesses that allow for DTPOs to penetrate the state, threaten democracy and encourage the proliferation of DTPOs in the region.</p>	

Figure 4.10. What Factors Would You Identify As Being The Major Contributing Instruments of the Proliferation of Drug Trade Operations in Trinidad and Tobago?

Summary	Summarized Interview Responses
DTPOs count on a number of state and region-based features to assist in their trade and development in the region. Including but not limited to: large amounts of arable land, corruption, economic voids, cultural acceptance etc.	<ul style="list-style-type: none"> • Geography –T&T is very close to Venezuela which has been identified as a prime location for DTPOs (Venezuela boasts over 200 illegal airfields). • Money - making it and sometimes not having it. • Arable land – agriculture. • Cultural acceptance -public education. • Economy - lack of employment why would someone find a low-paying skill-less job when they could make so much more money? • Social acceptance of DTPOs and the lifestyle they offer

Figure 4.11. What Is the Importance of Supply and Demand With Respect to the Proliferation of Drug Trade Operations in the Region?

	Summarized Interview Responses
Supply and demand are in fact major contributing factors to the trade and production of illegal drugs, but they are not the only major factors the comparative and competitive advantage framework allow for a more comprehensive view on the breadth and scope of drug trafficking in individual Caribbean states.	<ul style="list-style-type: none"> • The supply and demand elements of drug trafficking become important only to states that are affected by the drugs, their operations and players. • Drug trafficking is strictly a demand phenomenon. If you did not have the demand you would not have the product you would not have the supply issue. • It is a phenomenon based on greed and want of money, too much is never enough.

Figure 4.12. Do You Predict That There Will Be An Increase or Decrease In Drug Trade Operations In Trinidad and Tobago? Why?

Summary	Summarized Interview Responses
While the failure on the "War on Drugs" and the extreme violence and challenges experienced by drug centers like Mexico, and growing violence and socioeconomic challenges in the Caribbean region. Drug Trafficking appears to be a major dilemma that the national, regional and International efforts in the region have still to address effectively.	<ul style="list-style-type: none"> • Only through organizational change in the security institutions can there really be a change/solution to the problems. • Only through changes in drug interdiction methodologies such as the use of newer technologies and more regional cooperation. • Only through changes in the internal supply and demand reduction tactics.

Figure 4.13. Do You Predict That There Will Be An Increase or Decrease In Drug Trade Operations In the Region? Why?

Summary	Summarized Interview Responses
There is a possibility that some of the statistics emerging from the U.S. and European reports show a decrease in the seizures coming through the region. But the trade is an ever evolving phenomenon. This evolution is due to changing tastes in the demand states, and to better technologies and methods of eluding security and interdiction forces. It has been a worldwide acknowledgement that the war on drugs has failed, even if the interdiction efforts make some impact, this may not change the DTPOs effects in the Caribbean; instead it may make the DTPO phenomenon more competitive and violent.	

Figure 4.14. Do You Think That Southeastern Caribbean States With Similar Comparative Advantages In Drug Trade Operations Have the Same Levels of and Challenges Associated With Drug Trade Operations?

Summary	Summarized Interview Responses
Most respondents agree with the following idea. The proliferation of the DTPO phenomenon analyzed on a state-by-state basis as each individual state has its own particular economic, social and political environment. Analytical frameworks such as the one introduced in this research (Armstrong) allow for a better comparative structure under which we examine the regional problem.	

Figure 4.15. Is There Any Particular Issue That You Feel the Academic, Security or Political Establishments Pertaining to Drug Trade Operations in the Region Have Overlooked?

Summary	Summarized Interview Responses
<p>The research on drug trafficking in the Caribbean is a dynamic topic with a number of facets that still need to be explored.</p>	<ul style="list-style-type: none"> • The ways in which T&T combats the problem in the Caribbean, and how it disseminates knowledge needs to evolve and change to better suit this modern population. • The issue of the narco-state and the challenges that go beyond the corruption of public officials and extend to activities sponsored and supported by the state. • The region places too much emphasis on supply and demand; more analysis needs to be done on other systemic catalysts of the drug trade. • There are too many misconceptions regarding the drug trade, which include the population's ideas on who lead the DTPOs and how the drugs and guns are being brought into the country.

Analysis of Trinidad and Tobago

The first major question that this research seeks to answer is: To what extent is drug trafficking and production a major problem for the region and Trinidad and Tobago?. Considering the results of the interviewees' response, it is more apparent that drug trafficking is in fact a major threat to the region, and a growing threat to the security of Trinidad and Tobago (T&T). However, the answer to this question is a multifaceted one, which requires analyzing the phenomena of drug trafficking and production from two points of view. Firstly, through their levels of proliferation, taking into consideration the extent to which these phenomena can be addressed by the State and secondly, through its effects especially on the National Security apparatus of T&T. Through the examination of the data gathered in these interviews, the extent to which drug trafficking

is a problem for T&T will be measured using the aforementioned two-pronged method as follows:

The Proliferation

- An examination of major drug production and trafficking organizations active in T&T.
- An analysis of the methods (including frequency) utilized by established networks for major drug trafficking, production and other activities.

The Effects

- An analysis of the major effects of drug trafficking organizations, focusing on production and trafficking.
- An examination of the state's capabilities to combat drug trafficking and production.

Proliferation

The influence wielded by major drug trafficking organizations and the activities that they conduct says a great deal about the penetration that these organizations have made into the State. In T&T, the undertakings of the active organizations can range from the highly organized, larger international conglomerates, to the less organized activities of the small traffickers only moving a few pounds or ounces of contraband. The better-structured organizations are based in West Africa; Eastern and Western Europe; and North and South America. Two features common to many of the larger trafficking organizations are their abilities to tap into alternative sources of supply and to adapt readily to changing conditions. For example in T&T one imports marijuana from

Venezuela, St. Vincent and the Grenadines or Jamaica.¹ This flexibility enables the major traffickers to regroup and redirect a segment of their operations without disrupting the entire organization. They are described by respondents as being on the cutting edge of international technology. They operate across international borders and the flexibility of their organizational structure enables them to form partnerships with other groups.²

The activities of major traffickers are very similar to those of large legitimate corporations, in that they can be considered as successful because they are good at what they do, careless errors are few, as are unnecessary risks.³ Leaders of these organizations are keenly aware of the importance of being insulated from street-level drug sales. One of the characteristics that prevails in T&T, as in the wider world of drug trafficking, is the predilection for dealing in cash and the incentive to transfer that cash into the legitimate business community (money laundering). In T&T as in the wider world, this alone represents one of the biggest problems for trafficking organizations. In fact, so much cash is involved in the drug trade that it is often more advantageous for police to track cash proceeds than the drugs themselves. Indeed, it is money from which even the most cautious drug manager cannot be totally isolated. In the literature, tracking this money remains one of the most challenging investigative endeavors for drug control agents.⁴ In a

¹ Respondents no. 1 and 3, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

² Michael Lyman and Gary W. Potter, *Drugs in Society: Causes Concepts and Control* (Cincinnati: Anderson, 2007), 234, and Respondent no. 3, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

³ Respondents no. 1, 2 and 3, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

⁴ Michael Lyman and Gary W. Potter, *Drugs in Society: Causes Concepts and Control* (Cincinnati: Anderson, 2007), 234 and UN Development Programme, "Caribbean Human Development Report 2012,"

2011 UN news report, it was estimated that in 2009, criminals may have laundered around \$1.6 trillion in which one fifth of that sum came from the illicit narcotics trade. For instance, all criminal proceeds, excluding tax evasion, would have amounted to approximately \$2.1 trillion.⁵

The respondents also confirmed that illegitimate trade in T&T in many instances also mirrors legitimate trade. For example, drug traffickers and producers often use the same trading routes or high levels of air travel to and from Trinidad to peddle their goods. Business in T&T has also come under attack as many drug trafficking organizations seek to legitimize their ill-gotten monies and launder it through Trinidadian businesses.

In terms of the market for drugs, the two key markets are marijuana and cocaine; T&T sees the highest rate of use from marijuana and to a lesser extent cocaine.⁶ According to the respondents the marijuana trade is at present more for the local market, while the cocaine trade is more for 'global' distribution and transit to the U.S. and Europe. Gangs and highly organized conglomerates (such as local mafia-type groups) have been identified as the ones controlling the drug markets. The researcher found this to be very interesting since the respondents' sentiments support existing research on the drug markets in the Caribbean. For example, a recent UNDP Citizen Security Survey sampled 1,653 respondents ages 18 to 24 years on a number of drugs and crime questions. The sample size included respondents from Antigua & Barbuda, Barbados,

http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

⁵ UN News Centre, "*New UN Report Says Criminals May Have Laundered \$1.6 Trillion in 2009*," <http://www.un.org/apps/news/story.asp?NewsID=40189> (accessed June 7, 2012).

⁶ Respondents no. 1, 2 and 3, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

Guyana, Jamaica, Saint Lucia, Suriname and Trinidad & Tobago. The report for Trinidad & Tobago showed that 3 percent of the youth had committed a violent crime with a weapon while 2.6 percent without, 1.3 percent had committed a property crime, and 1.3 had used *ganja* while 0 percent had used other drugs.⁷

Additionally, in the U.S. State department's 2012 report, T&T's law enforcement officials in 2011 seized 233.22 kg of cocaine and 3196 kg of marijuana mainly by air and seaports. More than 1,366,00 mature marijuana plants and several hundred thousand seedlings were also eradicated. The country witnessed one of its biggest and most sophisticated drug busts when law enforcement officials seized 921 kg of compressed marijuana in a cargo container of frozen chicken that originated out of Jamaica.⁸ As a researcher I found these statistics alarming, since the drug traffickers appear to be using sophisticated methodologies to carry out their illicit drug trade and the local law enforcement officials are often understaffed and ill-equipped to deal with such threats.

International and national threats are ever present and becoming a growing risk to the security of T&T. Respondent number three (3) made the observation that "the emerging global connections that were non-existent prior to the onslaught of the drug trafficking pandemic of the sixties, in addition to the introduction of new technologies and increased familiarity of trading routes by the DTPOs, have resulted in the increased efficiency of these organizations. As a direct consequence of these improvements,

⁷ UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

⁸ U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2012*, (Washington: Department of State, May 2012), http://www.state.gov/j/inl/rls/nrcrpt/2012/database/191294.htm#Trinidad_Tobago (accessed 12 March 2012).

DTPOs have connections in almost every nation state. Limited personnel and technology, coupled with high levels of corruption in the security sector only help to further entrench the problem."⁹ This respondent's opinion supports the research literature which has indicated that organized crime groups in the region are much more sophisticated now as opposed to in the past.¹⁰

T&T is not a producer of cocaine or opium poppies. Marijuana, however, is cultivated year-round in the forest and jungle areas of northern, eastern, and southern Trinidad and, to a minor extent, in Tobago. The total amount of cultivation cannot accurately be determined because cultivation is done in small quarter-acre lots in remote areas. Eradication takes place by cutting and burning plants manually as opposed to aerial herbicide application.¹¹

Methods of Supply

Drug traffickers and producers use very innovative methods for smuggling and moving the contraband. Popular methods of smuggling contraband (especially marijuana and cocaine) mentioned by interviewees include: i) smuggling on fishing boats, collecting the contraband out at sea or on the Venezuelan coast; ii) smuggling the drugs on bigger boats known as *pirogues* (which is what the T&T locals call the Venezuelan long liners, like a *pirogue* but bigger) which can carry a number of kilos of cocaine; iii) use of drug

⁹ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

¹⁰ Ingrid Pusey, "The Role of the Regulator in Combating Financial Crimes – A Caribbean Perspective Financial Services Commission Jamaica," *Journal of Financial Crime* 14, no. 3 (2007): 301.

¹¹ U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2006*, (Washington: Department of State, May 2012), <http://www.state.gov/j/inl/rls/nrcrpt/2006/vol1/html/62108.htm>, (accessed 12 March 2012), and Respondent no. 1, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

mules, often recruited in T&T these men and women (depending on their experience) can swallow anywhere up to about 2 pounds of marijuana and even more cocaine a week; iv) yachts, referred to as sleepers, that are often left in T&T or other Caribbean states during the hurricane season and used for trafficking during the dry season; v) large commercial ships and shipping containers which have been known to pass through T&T with tons of cocaine or marijuana.

Interviewee number three (3) also mentioned an operation that was uncovered when a local marijuana producer placed the contraband inside melons. In a short space of time the melon skin grew over and the contraband was shipped. With access to so much money, the DTOs often have only to contend with the capabilities of the state technology and personnel. Geographically speaking, T&T is so close to the coast of Venezuela that at some points it would only take smugglers a few minutes to make their way to the Trinidadian coast. Once there, radar technology cannot detect the boats as they follow the coast line.

In a state like T&T, trafficking has emerged as more prevalent than actual drug production. Respondent number two (2) discussed how most of the crops (marijuana) in T&T are for domestic use, and the fact that authorities have found a reasonable amount of success in eradication efforts. "In terms of use, T&T consumers tend to abuse marijuana more than cocaine even though there is both crack and cocaine use. Challenges have emerged in attempting to control the importation of more potent and popular marijuana grades from Jamaica and St. Vincent and the Grenadines. At times, a pound of these foreign marijuana strains are comparable to a kilo of cocaine."¹²

¹² Respondent no. 2, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

Currently, "T&T is experiencing a disturbing phenomenon whereby for the past 4 years there has been an enormous amount of marijuana coming into the country. The cheapest on the market is the marijuana coming in from Colombia through Venezuela, but there is also the locally produced marijuana as well as that coming in from St. Vincent and Jamaica to consider. It is probable that there are negligible amounts coming in from Canada and the US, but that marijuana is not really for sale."¹³

Respondent number four (4) asserted that "The rising criminal elements and their growing sophistication are also very important factors to consider when examining the proliferation of DTPOs in T&T. It was pointed out that at times there may be a decrease in the demand for certain drugs due to tastes, price or for many other reasons. Criminals and people out of desperate need are still always looking for an opportunity and that is a continuing threat. The rule of thumb is that only 10-20% of the drug traffic is actually seized"¹⁴ Therefore, one could conclude that the methods and technology used by the DTPOs are getting better and sometimes even outweighing those of the State, leaving one to only imagine the amounts that authorities are not accounting for. The rising social, political and economic impacts of drug trafficking are becoming more obvious even within the timeframe of this research.¹⁵ Three months after these interviews were

¹³ Ibid.

¹⁴ Ibid.

¹⁵ UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

conducted T&T came under a four month long State of Emergency, brought about by a spate of gang related murders and other criminality of national significance.

Effects

Drug trafficking has many associated social, political and economic ills. Many of the interviewees spoke of political corruption; social decay; gang violence; and drug abuse, amongst the major problems that drug trafficking creates. Some of the other effects include i) gang activity and gang violence for control of greater portions of the drug market or trafficking routes; ii) money laundering through legitimate and illegitimate businesses; iii) corruption of high-ranking and lower-ranking public servants. This corruption has made the population very distrusting of organizations like the Trinidad and Tobago Police Service (T&TPS) due to their observation of the influence of DTPOs; iv) social decay, in terms of the youth who emulate the gangster/drug don lifestyle of easy money, fast cars, drugs and violence; v) social challenges, including very low rate of conscious drug use which in T&T is between the ages of 10 and 11; vi) increased organized criminal activity, as DTPOs also tend to deal in human trafficking and gun smuggling. Guns are a major problem in T&T and many of them come in with the DTPOs. Small villages become organized around a DTPO or drug don who employ and protect these villages; vii) heightened commodities shipping, being a highly cash based business, smugglers who sometimes hide drugs or even cash in commodities such as fridges and washing machines. One should note that the Caribbean Human

Development report 2012 validated some of the opinions shared by the interviewees regarding the drug trafficking trade and its negative impact in the region.¹⁶

Interviewee number four (4) made the observation that a lot of it has to do with the youth and the gang culture, because of the attraction of the quick money. This sentiment lends support to recent studies which concluded that there is a link between youth gang membership and the belief of financial stability.¹⁷ According to the interviewee, “If you look at it there was one time when drug trafficking around T&T was not prevalent in places like Morvant and Laventille, and this was because the Government was pumping money into these areas. The Government was creating projects, housing projects; road work projects and make work progress (example CEPEP and URP government funded programs that focus on creating opportunities for groups coming out of more depressed areas),¹⁸ so that people would become employed. The murders began because people were killing each other to get the contracts for those programs. Now that the source of their funds, the aforementioned programs, has dried up substantially, the gangs have gone back to the drugs. Kidnapping became the next avenue for a source of funds to the gangs. At one time the gangs were doing the kidnappings

¹⁶ UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

¹⁷ Curtis Richard, “The Improbable Transformation of Inner-City Neighborhoods: Crime Violence, Drugs, and Youth in the 1990s, 1233-1276,” *Journal of Criminal Law and Criminology* 88, no. 4 (Summer 1998): 1241-1242; Cordula Strocka, “Youth Gangs in Latin America, 133-146,” *The SAIS Review of International Affairs* 26, no. 2 (Summer 2006): 135; UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

¹⁸ “*Moving from Promises to Performance: The Underpinnings of the 2011 Budget*,” <http://www.finance.gov.tt/content/Promises%20to%20Performance.pdf> (accessed June 20, 2012).

because they were getting big lump sums. That opportunity was short lived because apart from law enforcement coming down on it there were rival gangs that were kidnapping the kidnapped.”¹⁹

At least four (4) of the interviewees suggested that the problem had a lot to do with the attitudes of the youth, which buys into living fast, dying young and maintaining apparently affluent lives in the interim.²⁰ According informant three (3) “Education is seen as a major determinant as there are a lot of people coming out of school with no employment. There is also a large group that is unemployable, they leave school early and have no skills, but they want to live a good life.”²¹ These same informants asserted that because T&T is a developing society, the fast life is important. The observation is that many people like to go to Ariapita Avenue (an entertainment center in T&T) and hang out. In order to do this comfortably and with frequency, one is required to have money. It is also a fair assertion that one wants to wear all the latest, trendy clothing and drive the most sought after cars. With all these desires, however, most of the youths have no skill for employment and as such their next recourse is to either sell drugs or join a gang. Another option to attain these possessions is to find a low-paying, skill-less job in a

¹⁹ Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011; UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

²⁰ Respondents nos. 1,3,4 and 5, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27 & 29, 2011.

²¹ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011; Cordula Strocka, “Youth Gangs in Latin America, 133-146,” *The SAIS Review of International Affairs* 26, no. 2 (Summer 2006): 135, UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

supermarket, lifting boxes and taking home minimum wage which just won't cut it.”²²

Cordula Strocka's article on youth gangs in Latin America and the 2012 Caribbean Human Development report both offered similar perspectives on this issue.²³

Additionally, respondent three (3) further stated that “People have been arrested, bad boys who have run the route, and having been arrested under normal circumstances would be fingerprinted and they would be served with a notice detailing what crime(s) they were charged with. When the accused receive the notice, they would have to sign, and therein lies the problem. Many of them cannot sign, it is at this point you might see grown people, bad boys who are giving the officer all this talk and have done all these things, when it comes to writing their names, they could barely do so and in other cases they just put an X. This is a very common occurrence in T&T.”²⁴

Moreover, “Consider that every time you have Common Entrance (The high school entrance exam), there is a portion of children that either make it or go home. A few decades ago, children might be sent to learn a trade, but since then governments have closed down those trade schools. The last administration had opened up a few new avenues and places to learn trades. But by now those opportunities were seen as being not the cool thing to do and people were staying away from it.”²⁵ These things apply more in the urban, sub-urban areas as opposed to the country side, where it might be more

²² Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

²³ Cordula Strocka, “Youth Gangs in Latin America, 133-146,” *The SAIS Review of International Affairs* 26, no. 2 (Summer 2006): 135, UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

²⁴ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

²⁵ Ibid.

acceptable to learn a trade and perhaps become a mechanic or something like that. In the ghettos, however, that is no longer seen as a route to upward mobility or even survival. This may be one of the social aspects that contribute to the drug trafficking proliferation.²⁶

The Capabilities

In terms of the capabilities to combat drug trafficking and production, T&T is one of the best equipped states in the region but still finds many challenges regarding their interdiction efforts. "T&T has 7000 policemen serving its population of 1.3 million. Trinidad has partnerships with the UK, America, Europe and Canada, sharing intelligence and sometimes even embarking on joint operations."²⁷ This researcher has observed that some of the representatives of these external partners insist that they were willing to work only with vetted and trusted local law enforcement officials. T&T tends to be better equipped than most other Caribbean states when it comes to equipment. They have radar and sonar technologies as well as helicopters at their disposal.

On the other hand, T&T does have some limitations when it comes to the cohesive nature of the various law enforcement and protection agencies. There is a high level of mutual distrust among them due to corruption and in the growing public

²⁶ Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011; James Diego Vigil, "Urban Violence and Street Gangs," *Annual Review of Anthropology* 32, no. (2003), under "Settings," <http://proxygsu-tru1.galileo.usg.edu/login?url=http://search.proquest.com/docview/199843684?accountid=14419> (accessed June 7, 2012); UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

²⁷ Respondent no. 5, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

exasperation with the generalized criminality that is spawned by drug trade and usage.²⁸

Confirming Anthony Maingot's theory in *Security in The Caribbean Basin: The*

Challenge of Regional Cooperation.²⁹ The Trinidad & Tobago Defense Force (T&TDF)

is one of the largest in the region and includes a regiment, coast guard, cadet force,

immigration division, police and fire services; however, T&T does not have efficient

resources to constantly patrol the coasts and fields, or even the extremely bad areas. T&T

has a very dynamic National Security Ministry, with divisions dedicated to a) supply and

demand education, and youth development; b) anti-money laundering; and c) special

Forces.³⁰

The Trinidad and Tobago Police Service (T&TPS) has made some fairly strong interdiction efforts against the growing of marijuana, but the importation of the drug has become a problem. Respondent three (3) also noted that "As far as the marijuana production, there have been years when the police really did some damage to the planters of the marijuana, and it merely encouraged the importation of the marijuana. But destroying or rather doing damage to the local production mostly affects the local planters and not the local market. Once there is a shortage in the local supply, it will be brought in to satisfy the market; both St. Vincent and Jamaica are filling the gap. Jamaica is sending the marijuana in containers, while St. Vincent and Venezuela's marijuana are

²⁸ UN Development Programme, "Caribbean Human Development Report 2012," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012); Joseph S. Tulchin and Ralph Espach. *Security in The Caribbean Basin: The Challenge of Regional Cooperation* (Boulder, Colorado: Lynne Rienner Publishers, 2000), 41.

²⁹ Ibid.

³⁰ Ibid.

coming in on the *pirogues*. So if there is a shortage in local production it does not affect the market because the supply readjusts and it encourages the importation of the marijuana. As previously mentioned, high levels of corruption have emerged as a constant threat to drug interdiction efforts. Trinidad has found some challenges with drug interdiction efforts in certain high risk areas where gang violence and politics are at their highest levels."³¹

All interviewees were also asked their predictions for drug trafficking and production in T&T over the next 10 years. While no one wanted to subscribe to a completely defeatist outlook, all respondents predicted further entrenchment of DTPOs in T&T. Respondents four (4) and one (1) suggested that only through organizational change in the National Security institutions could there really be a change/solution to the problems.³² Additionally, only through changes in drug interdiction methodologies such as the use of newer technologies and more regional cooperation could the region really see any change in the rising threat of DTPOs. Interestingly, this was one of several recommendations mentioned in the Caribbean Human Development Report 2012 by the Heads of State and Government for Latin America and the Caribbean.³³

Moreover, what emerges from this data is the sentiment that even the methods used to measure the effects and the impact of drug trafficking and production in the

³¹ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011; UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_beau_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

³² Respondents nos. 4 and 1, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27 & 29, 2011.

³³ UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_beau_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

regions, are obsolete. While supply and demand become important for the construction of the market, the nature and proliferation of drug trafficking and production in Caribbean states like T&T, evolves from factors like economic need; geographic and topographic convenience; and the state's capabilities to combat the trafficking and production. Thus, programs and new crime fighting methodologies are required to address this growing regional problem.

Supply and Demand

When asked to address the question of how important supply and demand are to the growth of drug trafficking, all interviewees saw them as being central to the phenomenon in T&T. The level at which to control the phenomenon was met with varying responses that included: i) supply and demand are most important; ii) supply and demand only became important in terms of the market and its cycles, where each individual State involved in the production or trafficking of drugs had present, other variables such as economic need; geographic and topographic convenience; and the State's capabilities to combat the trafficking and production, which truly shaped the levels of entrenchment of DTPOs in these states; iii) another most interesting but minority assertion was that DTPOs were a phenomena based on greed and want of money, whereby too much is never enough and therefore supply and demand only helped fuel the greed but was not the most important element.

When discussing the importance of supply and demand, interviewee number five (5), who supported the position that supply and demand were in fact the most important, argued, "That if you did not have the demand, you would not have the product and thus

you would not have the supply issue.”³⁴ The respondent asserted that the traditional approach to deal with the demand side of the equation is to attempt to stop the drugs from coming in, which would in effect dry up the market. The demand would shift and people would just decide that they need to find something else to fulfill their need. Further, the respondent said that “The trouble is that when you stop the route it drives up the price, because you would not immediately be able to completely stop it from coming in. This then drives up the profit margin and the trade becomes even more competitive, leading to higher levels of violence.”³⁵

That is why respondent five (5) thinks there is a growing movement, in North America and Europe in particular, that holds the prohibition of drugs is not working. This school of thought asks the questions whether or not to legalize it, or at least decriminalize it. Respondent three (3) pointed out, that discourse has not emerged in T&T or even the region. The reason being is that many smaller Caribbean states have been so focused on the effects of the supply and demand in larger, more developed states in North and South America and Europe, that they fail to look at their own systemic weakness for effectively dealing with the industry.³⁶

It should be noted that in the summit of the Americas recently held under the auspices of the OAS and attended by the US President, and most South and Central America and Caribbean Heads of State and Government, the question of legalizing major

³⁴ Respondent no. 5, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

³⁵ Ibid.

³⁶ Respondent no. 3 interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

drugs was raised by some leaders but quickly shot down by most including the American President and many Caribbean leaders.

Respondent five (5) further stated that "What emerges for our consideration is that people are still going to want to do drugs and other people will still produce the drugs. The drug trade will not end tomorrow and neither will people's need to make money or attempt to traffic and produce the contraband."³⁷ Hence, the researcher of this study believes that there is no room for complacency or waiting to see what levels at which DTOs will affect the State. For example, it is very difficult to measure things like shifts in the supply and demand of the market or economic contributions that the DTP industry makes. Therefore, the researcher concludes that supply and demand emerges as a critical part of the sum of the whole equation when attempting to forecast or analyze the advancement of drug trafficking:

Supply and Demand + Geographical Location + High Levels of Institutional Corruption + Advantages in Trade and Production = Proliferation of DTPO in the Southeastern Caribbean Region

The advantages in trade and production are best explained and evaluated through the comparative and competitive advantages that the individual islands or states have in production and trafficking. As part of the primary research and interviews for this research respondents were asked the question:

What are the comparative and competitive determinants of drug trafficking in the Southeastern Caribbean islands?

³⁷ Ibid.

Interviewee number four (4) made the observation that the advent of the growth of drug trafficking was identified as being around the mid-sixties, asserting that cocoa, banana and sugar would have been virtually taken away from the Caribbean to some extent. The interviewee noted that "As such you will find that the children of the farmers of yesteryear or rather yester decade recognize that there is no money to be made in farming, the opportunities that their parents had before them were no longer available."³⁸ This interviewee suggested that the younger generations have recognized that it is easier to plant 5 acres of marijuana. The interviewee further stated that "With the returns that they get from that, they could be appeased for a few years. That starts the 'comfort zone' that they have placed themselves in as a result of that revenue." However, respondent number one (1) on the other hand discussed how T&T has engaged in a number of national and regional drug interdiction exercises. This respondent was particularly surprised that these efforts were sometimes faced with protestors who found that the interdiction exercises were in fact threatening their livelihood. According to the respondent, it was an eye-opening moment as citizens outwardly fought against the drug interdiction/marijuana plant weed eater exercises."³⁹

Money

The citizens of T&T and the region as a whole need to be able to provide for themselves and their families; unfortunately, too many are choosing drug trafficking and production as their means of doing so. Most respondents suggested that T&T held some

³⁸ Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

³⁹ Respondent no. 1, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

significant advantages in the location of the islands. Respondent one (1) discussed how "this geographic advantage was most apparent when it came to trade and the movement of money. The shipping routes which facilitate legitimate trade throughout the region, between states in America (North and South) and Europe, also facilitate illegitimate trade quite easily."⁴⁰ This respondent clearly indicated that the legitimate, logistical process provides the opportunity to be exploited by organized groups. For this reason, the researcher concluded that wherever there is legitimate trade, there seems to be a parallel opportunity for illegal activity in the Caribbean region.

Moreover, respondent number two (2) discussed that in T&T for example, the international financial center was built with the view that Trinidad would have an advantage in exploiting those opportunities and establishing T&T as a financial center. The idea was to capitalize on the advantages of doing business outside of the region but primarily North America. For a number of reasons, whether or not it had to do with tighter regulations or regulatory bodies in North America, the cost of doing business in T&T would be cheaper than in the UK and North America.

Additionally, there is the existence of free trade zones in the Caribbean; for example, Trinidad has two such free trade sites. These free trade zones provide a legal regime for legitimate business to operate in a liberalized environment and in doing so, they are exempt from having to pay customs duties and having to deal with any of the attendant bureaucracy. This means that businesses of a certain type such as export-import

⁴⁰ Ibid.

can operate more efficiently and quickly. The lack of the regulation opens up a gap to be exploited by organized crime groups.⁴¹

As was stated by respondent two (2): “Now we are not talking about guys bringing down marijuana on a boat from St. Vincent, we are talking about truly organized crime groups that are involved in systematic and planned criminal activity.”⁴² The fact that there is little existing regulation, seems to suggest that the focus of law enforcement activities is not clearly specified. For this reason, the researcher believes that the likelihood for illegal activities to occur in the free trade zones and under the protection of the authorities is increased.

From a political perspective, respondent four (4) suggested that there were perhaps some leaders who turn a blind eye. This respondent stated that “Because they are responsible for their citizens who have been told that they will make things better for them. So sometimes indeed they do turn a blind eye and do not pursue what they know is right. Supporting this perspective, the same respondent suggested that “we would never want to suggest for a moment that the State would encourage drug trafficking and drug production. Instead, what emerges is collusion by neglect and lack of effort, whereby it is a fact that some of these States actually do not pass necessary legislation and do not invest in the appropriate type of infrastructure that is needed to combat the problems.”⁴³

⁴¹ UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

⁴² Respondent no. 2, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

⁴³ Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011; UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

One should also note that just because the resources are not there, does not mean that the expertise is not there as well. Further, problems are associated with the influence of some of organized crime groups and individuals, who have become powerful, that they start influencing the motives and activities of the state.⁴⁴

Presently, across a host of global-governance institutions has been a policymaking consensus linked to the threat posed by failed states and new security, development, and humanitarian challenges. Experts assert that weak and failing states provide a breeding ground for international crime.⁴⁵ In Latin America, this trend has been followed most notably with analysis of the failure of the state in Colombia to conform to the ideal or typical prerequisites of a modern state. The latter are commonly defined according to a theory of the state based on Max Weber's assertion that the state must have monopoly on the legitimate use of physical force within its territory.⁴⁶ Drug Trafficking threatens the state control of its security apparatus through corruption and coercion. In Mexico and Colombia, DTPOs have utilized the shortcomings of the state to penetrate and gain power. This must be seen as an example for the Caribbean states battling with DTPOs.

⁴⁴ UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012), and Barry McCaffrey, "Hemispheric Drug Control: Fighting Drug Production and Trafficking," *Vital Speeches of the Day* 63, no. 4 (1997): 419.

⁴⁵ Adam David Morton, "Failed-State Status and the War on Drugs in Mexico," *Center for World Dialogue* 13, no. 1 (Winter 2011): 93.

⁴⁶ *Ibid.*, 97.

Geography and Connections

Interviewee five (5) introduced what they refer to as the "natural conduits"⁴⁷ that have emerged. It was pointed out that in the early days of drug trafficking, "the connections would come up from the respective islands, but now that the relationships have been established, criminals in T&T would speak to somebody in Grenada and that person could put him onto his connection in St. Vincent. So the chain is a stronger one in that it is not a situation where they have to go all the way up to Jamaica, or Martinique. They have the connections so they can leapfrog and slip into SVG, use another vessel to go up to another island and make the transition more smoothly."⁴⁸

Respondent one (1) also asserted that the growing and established networks like the organized crime groups from Africa are now making connections with the groups in Jamaica and their operations are becoming more efficient. "The Jamaicans have also set up shop in T&T by bringing in marijuana and sending out cocaine. They are getting a good price for the marijuana here, and then they are sending the cocaine from here back to Jamaica. They are also making connections with the locals"⁴⁹

On the other hand, respondent three (3) stated that "It used to be that the best grade of marijuana came from Jamaica, now you have some of the local people doing Hydro (growing marijuana in water tanks). Recently, the anti-kidnapping unit made a

⁴⁷ Respondent no. 5, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011; David McFadden, "Battle Zones," *Newsday*, http://www.newsday.co.tt/crime_and_court/print,0,149466.html (accessed June 26, 2012).

⁴⁸ Ibid.

⁴⁹ Respondent no. 1, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011; UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_beau_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

major bust, at a house in the West where the child of a rich family had setup a hydro garden. So we are seeing more places where they are doing the hydro, because it is very inexpensive and worth their while. The emerging trend is that nationals and non-nationals are coming in networking, and mixing, causing a major transformation in the operations.”⁵⁰

There is also the multi-ton or multi-hundred kilos that do not stay in T&T. "Because T&T is considered by Lloyds of London as a safe haven for the hurricane season, the European yachts and the hurricanes yachts come to T&T for the hurricane season to dock. Drug trafficking organizations buy yachts which they berth at the different islands, Jamaica, Grenada, SVG and Barbados. At the end of the hurricane season, there is a mad rush to send those boats out. They send captains down just as the hurricane season is coming to a close. Of course they will be making their plans with the source countries, then travel through countries like Venezuela, Guyana and Surinam. The boats also interact with the other boats, so if for instance a shipment is coming from the supply states through Venezuela and headed for Margarita Island, the yachts would leave Trinidad and wait off Margarita. Once there, the *pirogues* (which is what the T&T locals call the Venezuelan long liners, like a *piroque* but bigger) would bring in a ton or two of the cocaine. They would meet in the dark of night, load up and then the yacht will go off back to Europe. So that sort of traffic does not hit T&T directly, but the boats use T&T as a launching pad.”⁵¹

⁵⁰ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

⁵¹ Ibid.

Interdiction Limitations

According respondent number one (3) "It takes the traffickers about 15 minutes from certain points in Venezuela to Moruga in T&T. Law enforcement can't even attempt to evaluate the amount coming through that side. There are an estimated three tons of cocaine a week coming in on the east and north coast, not even counting the southern coastal amounts. The reality is that we do not pay as much attention to the south and southeast coast or even the Southwest coast. Like every other developing country everything is focused on production and the capital. Our Coast Guard (naval) is in Chaguaramas and we have a small outlet on the South coast (at Cedros). There are also some Coast Guard assets out to the East, so we focus really on the calm areas here in the capital. The North coast is very rough and coincidentally, drug traffickers tend to take advantage of the areas that would be less patrolled and where the water is rough."⁵²

As previously mentioned, in T&T, the major demand drug is marijuana, the National Drug Council has conducted demand reduction research as to who is using the drugs, in schools. Interestingly, the research findings indicated that the marijuana being presently consumed is both more potent and more expensive, yet it remains high in demand. It was surmised that the price of marijuana is actually pretty close to the price of cocaine. Respondent three (3) stated that "We have people swallowing marijuana pellets coming out of Jamaica and coming into Trinidad. Normally, persons swallowing cocaine would swallow about 3/4 kgs or if somebody is very experienced they will swallow about a kilo. Of course cocaine is very compact and dense so it's heavy. In retrospect, think about marijuana, it is very light. But people are still coming through the Airports with the

⁵² Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

marijuana pellets, still a lucrative practice due to the price of the marijuana.”⁵³ What is described is a phenomenon where marijuana is coming into Trinidad but there is very little being exported. Considering the high usage of this higher costing marijuana, there is much conjecture as to who is smoking it. Interviewee one (1) suggested that marijuana had become the drug of choice for the upper and middle classes especially students and young hipsters.

Aforementioned, with respect to the borders, T&T does have a Coast Guard; however patrolling officials cannot be everywhere all of the time. Respondent four (4) noted that this highlights the effects of proper law enforcement and corruption. The example given is one in which "someone planting tomatoes recognizes that he could plant a few marijuana plants, standing to make a lot more revenue and as such, after harvesting the marijuana trees be set for life. The emissaries of the DTPOs can approach all Law enforcement, political figures, and lawyers. In some instances, they are asked not to actually conduct the illegal activities but instead just look the other way. While most of these individuals are hard working people of integrity who ignore the temptation, the DTPOs rarely leave it at a first attempt. Often times the DTPOS research their marks seeing where their kids go to school, what their household needs are, offering lots of money on the one hand and sometimes threatening their families on the other.”⁵⁴ This interviewee stated that as soon as you begin to consider it, you get “reined in” and start feeding into the system of corruption.

⁵³ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

⁵⁴ Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

Political Will

At least 5 interviewees suggested that lack of political will, would also have a major effect. Respondent five (5) asserted that the political will is there in most instances, but in T&T it becomes difficult in that there are insufficient law enforcers to do everything.⁵⁵ This respondent further noted that, “There will be successes, you will make a trade here you will get someone caught there. There were days the military would go into the field because production wise Trinidad deals primarily with marijuana, we don't produce cocaine. So with the marijuana we would go into the fields, and burn a number of marijuana bushes, but the truth is that you can't be there all of the time. You burn today, they plant tomorrow and they harvest in about three and half months or six months as the case might be. Marijuana is not something that you must wait until it is in full bloom to harvest.”⁵⁶ The basic premise is that in addition to the political will, one must also have the personnel, the material and the institutional capability.⁵⁷ Hence, political will in some instances, can be a very difficult variable to measure and establish without the capability to enforce such will.

Conversely, it is my opinion as a researcher, that mismanagement or even lack of political will can also be a major factor, there cannot be an assumption that the political will is in fact present. The political structure, is faced with dealing with the Drug Trade dilemma and all of its offshoots, some good (money going into the economy) and some

⁵⁵ Respondent no. 5, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

⁵⁶ Respondent no. 4, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

⁵⁷ UN Development Programme, “*Caribbean Human Development Report 2012*,” http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_bean_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

bad (violence, corruption) the nature of this multi-faceted dilemma means there are no maximal solutions, only trade-offs. While the many of effects of drug trafficking can be seen an obviously detrimental to the state, the level of entrenchment that the DTPOs have into the state, can sometimes skew the will of the state in the wrong direction. In this case capabilities of the state to combat drug trafficking becomes less important when the political will of the state itself is directed towards the DTPOs , their money and agenda.

In T&T, many interviewees agreed that there were limitations in the defenses of the state that caused problems in the exercise of T&T's political will.⁵⁸ None of the interviewees suggested for a moment that the State would encourage drug trafficking and drug production. However, a common theme emerged which criticized some of these States for not passing legislation and investing in the appropriate type of institutional infrastructure necessary to combat the problems. This suggests that some of the interviewees shared similar beliefs with the region's leaders on pursuing alternative policies to curve the rising illicit drug trade in the Caribbean.⁵⁹

Unfortunately, the ruling People's Partnership (PP) initiated its political hostility to the national security apparatus after the May 24 2010 general election, with an apparent brutal vendetta to eliminate the very concerted efforts adopted by the former administration. Any modicum of intelligence would have mandated a careful assessment of the strengths or perceived challenges of the security strategy left in place by the former government; however, this thorough assessment was not conducted. Therefore, the

⁵⁸ Respondents' nos. 1,2,4,7, 8 interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27 & 29, 2011.

⁵⁹ UN Development Programme, "*Caribbean Human Development Report 2012*," http://www.undp.org/content/dam/undp/library/corporate/HDR/Latin%20America%20and%20Caribbean%20HDR/C_beau_HDR_Jan25_2012_3MB.pdf (accessed March 23, 2012).

researcher of this study believes that had such a review occurred, then the PP government could have either strengthened the national security strategy or gained currency with its policies.

Interviewee two (2) asserted that some citizens share the belief that the ruling government may not be very serious about tackling some aspects of these crimes, especially if some of its political benefactors are connected to the drug trade. Whether this belief is true or not, the citizens are echoing similar sentiments that were reported in the Caribbean Human Development Report 2012.⁶⁰ It was reported in this study that in some Caribbean countries, Jamaica for example, drug dons have financed political parties during election campaigns.⁶¹

Moreover, interviewee two (2) claimed that “If we use Trinidad as an example, in Trinidad we have a corporation (X) here. Corporation (X) that is widely speculated and most people would assert that this organization and many of its subsidiaries are involved in drug trafficking and money laundering. But the problem with conglomerates like (X) is the fact that it has established itself as very powerful and dominant force not only here in T&T and throughout the region, but in fact beyond the region. Corporation (X) has established itself to the extent that it is now not only very well respected by members of the community but also part of the political circles, wielding very powerful lobbying capabilities.”⁶² If this statement is accurate, then one may begin to question T&T’s capability to reduce the illegal narcotics trade and its growing crime rate.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Respondent no. 2, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 27, 2011.

Missing Pieces

The respondents were asked if there were any topics in drug trafficking and production that they felt were not explored and researched enough. There were four answers that emerged as being the most engaging. i) First, one interviewee suggested that the ways in which T&T combats the problem in the Caribbean, and how it disseminates the knowledge needs to evolve and change to better suit this modern population. Challenges like youth violence and early first usage means that the population is under threat and the methods used to protect them must evolve.

Secondly, ii) Respondent number six (6) stated that the issue of the Narco-State is a phenomenon that should be given more validity by the academic world since it happens when the issues go beyond the corruption of public officials and when drug production and trafficking are actually sponsored and supported by the State.⁶³ The interviewee shared similar sentiments as this study's researcher, that the region places too much emphasis on supply and demand. More analysis should be conducted on the systemic challenges, some of which are identified in this research. iii) Respondent three (3) asserted that there were too many misconceptions among the population regarding the drug trade.⁶⁴ For example, ideas regarding who leads the DTPOs and how the drugs and violence have proliferated in Trinidad vary from citizen to citizen. Finally, iv) it was suggested that interdiction institutions have to acknowledge and treat the phenomenon as

⁶³ Respondent no. 6, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

⁶⁴ Respondent no. 3, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

dynamic and continuously changing, making all attempts to use methods and structure policies that reflect its evolution.⁶⁵

Regional Outlook

The United Nations Office of Drugs and Crime has found a reduction in the amount of illegal drugs transshipped through T&T. However, this decrease has not caused a decrease in violent crime. On the contrary not only from the information gathered in this research on T&T but many of the reports on T&T and the greater Caribbean region, there appears to be a growing correlation between the drug trade and high levels of violent crimes. The UN Report titled "Global Study on Homicide, Trends, Context and Data for 2010" finds that between 1997 and 2009, drug seizures in the region dropped by 71%. In 2009, only 10% of cocaine bound for the US was transshipped through the Caribbean.⁶⁶ This decrease can be attributed to the changing tastes from crack cocaine to the much cheaper drugs such as meth in the US. Also important to note, is the fact that the more popular route has been Mexico and Central America. This however, has not necessarily changed the DTPOs effects in the Caribbean. Instead, it has made the DTPO phenomenon more competitive and violent. The recorded seizures in places like Europe and Africa have also seen substantial increases. The amount of cocaine seized in Europe increased from 25 metric tons in 2009 to 32 metric tons in 2010; roughly 30 percent of the cocaine was seized in Spain. Separately, the amount of cocaine seized in or

⁶⁵ Respondent no. 7, interview by Ayanna Armstrong, Port of Spain, Trinidad, May 29, 2011.

⁶⁶ U.S. Office of National Drug Control Policy, "*Cocaine Smuggling in 2010*," http://www.whitehouse.gov/sites/default/files/ondcp/international-partnerships-content/20_january_cocaine_smuggling_in_2010_for_posting_on_ondcp_webpage_2.pdf (accessed June 7, 2012).

en route to Africa increased from 2 metric tons in 2009 to 6 metric tons in 2010, suggesting an increased flow into the region. The amount seized in the Atlantic en route to Europe decreased slightly from 9 metric tons in 2009 to 8 metric tons in 2010.⁶⁷

In 2005, the Government of Trinidad and Tobago (GOTT) seized 3,000 kilograms of cocaine, including liquid cocaine, 15.58 kilograms of heroin, and over 100,000 kilograms of cannabis in various forms. The GOTT also eradicated 1,116,500 cannabis plants and seedlings during the year. One particular noteworthy seizure occurred on Monos Island, located off the northwest coast of Trinidad. This joint exercise by the Special Anti-Crime Unit of Trinidad and Tobago (SAUTT), the police and the Trinidad and Tobago Coast Guard (T&TCG) netted 1,750 kilograms of cocaine. Eight persons were apprehended and charged: five Venezuelans, an Antiguan and two Trinidadians.⁶⁸

In summary, it is the overall consensus of the individuals interviewed for this research that drug trafficking and production is not only a growing problem for T&T, but also the region. The reasons for the proliferation that emerged from the interviews were as follows:

- Colombians looking for more easterly routes due to pressure on DTPOs in Mexico and Central America.
- The high price for cocaine in Eastern Europe and Asia has caused the region to get a lot of attention from organized crime there.
- The emergence of West Africa as a hub for DTPOs has placed the region in a prime geographic position for drug shipments en route to West Africa.

⁶⁷ Ibid.

⁶⁸ Ibid.

- The region is often identified by the DTPOs as having lax police and drug interdiction efforts.
- Some small states' officials, who are not making a lot of money, can be bought off.
- Organization of the drug interdiction efforts is often decentralized and there is not a high level of trust amongst National law enforcement organizations.

The proliferation of the DTPO phenomenon is best analyzed on a state-by-state basis as each individual state has its own particular economic, social and political environment. Analytical frameworks such as the one introduced in this research allow for a better comparative structure under which we can examine the regional problem. As a researcher I hope to make a contribution to the process of combating the illicit drug trade, by highlighting some of the systemic and structural challenges of the Caribbean states that perpetuate the drug trade.

CHAPTER V

RESULTS ANALYSIS FOR ST. VINCENT AND THE GRENADINES

Overview

This chapter will conclude the results section of this research. To recap, Chapter IV presented the findings of the twenty (20) interviewees' responses to the research questions for Trinidad & Tobago in the previous chapter. This chapter on the other hand, will present a data analysis summary of the six (6) St. Vincent and the Grenadines (SVG) interviewees' responses to the same research questions. Interviewees' responses have been summarized and can be referenced in the first section of this paper. Each interviewee was given a handout which was sanctioned by the Institutional review Board of Clark Atlanta University, each handout had the research questions, a permission slip and a summary of the research in question (See Appendix 2).

The central research question in this study examined whether factors of comparative and competitive advantage were the primary drivers of the development of the narcotics trade in the Southeastern Caribbean islands. However, before the results to the research questions are presented some recent statistics on this illicit trade and its negative impact in SVG and the region will be briefly discussed.

According to the International Narcotics Control Board, only one per cent of the money spent by drug abusers is generated as farm income in developing countries. The remaining 99 percent of global illicit drug income goes to drug trafficking groups

operating at various other points along the drug trafficking chain.¹ This is but one example of the chilling statistics on the economic impact of drug trafficking. Other data suggest that two-thirds of the profits gained in drug trafficking is reaped in developed countries, and only one-third in countries in transition.² Although the economic aspects of drug trafficking largely differ among the Caribbean states, it is widely accepted that its negative impact is especially high on the economies of transition countries. Another problem closely linked to drug trafficking is the growth in the rate of HIV-infection.³ The dire economic and social situation in transition countries has led to an increase in drug trafficking, with increased availability and lower prices of heroin and other drugs. Practices such as needle-sharing are commonplace, and provide as a result fertile ground for the rapid spreading of HIV and other threats to the well-being of the citizens of these states.⁴ There have been a number of discussions in SVG that evaluate the threats and benefits of DTOs and more importantly drug production, in light of their economic challenges and limitations. Small island states like SVG do not have the infrastructure to be able to handle the social, political and economic ills created by the DTOs.

Recently, some academics have highlighted the value and benefits of legalizing marijuana for medical treatment purposes.⁵ However, in SVG where there is only one

¹ "Analyzing the Economics of Drug Trafficking," OSCE, <http://www.osce.org/eea/57386> (accessed April 4, 2012).

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ Charlotte Gray, "Legalize use of Marijuana for Medical Purposes, MDs and Patients Plead: CMAJ," *Canadian Medical Association Journal* 158, no. 3 (February 10, 1998): 373; Jenny Wall, Sally Davis & Samantha Ridgway, "Cannabis: Its Therapeutic Use," *Nursing Standard* 16, no. 10 (November 21-November 27, 2001): 41-42.

hospital with limited resources and no specialized treatment and rehabilitation facilities, the legalization of marijuana could have more negatives as opposed to positives for the state. A past study conducted on SVG has shown that drug addicts are admitted at the lone psychiatric hospital, which is already alarmingly overcrowded with severely ill mental patients.⁶ These admissions are in most cases, ordered by the magistrates, but in some, are voluntary or requested by the relatives. There is no professional counseling service available for drug abusers at the hospital. The discharged addicts usually go back to their old habits and at some point of time end up at the psychiatric hospital again and the cycle repeats, until perhaps, they develop some of the symptoms of their inmate friends and start behaving like true mental patients.⁷ Hence, it is apparent to this researcher that the focus for small island nations should be to address the systemic openings that allow for DTPOs to proliferate, rather than to advocate for marijuana legalization.

The information gathered from the interviews for this research, regards the growth and effects of drug trafficking in SVG, and outlines the existing systemic challenges associated with the comparative and competitive advantages in Drug Trafficking and production in this state. Finally, the question of what the interviewees assert to be missing from the literature and the relevancy of DTPOs to the greater Caribbean region are discussed. The following is a summary of the responses to the questions that were asked during interviews on SVG.

⁶ St. Vincent & The Grenadines, "*National Anti-Drug Plan 2000-2004*," http://www.cicad.oas.org/Fortalecimiento_Institucional/eng/National%20Plans/St_Vincent%20-%20ENG.pdf (accessed April 15, 2012).

⁷ Ibid.

St. Vincent and the Grenadines Summarized Data Analysis

Figure 5.1. To What Extent Is Drug Trade Operations A Major Problem for the Region?

Summary	Summarized Interview Responses
An increase in smuggling from Venezuela has also added to the problem in the eastern Caribbean. Officials said drug cartels have developed better technologies, such as new versions of small boats that can quickly move narcotics.	<ul style="list-style-type: none"> • Especially for many of the small island states challenges with production of goods like bananas, cocoa and sugar have led to shrunken markets and opportunities and High unemployment. • Many of the drug interdiction strategies are insufficient or inefficient. • The region has adopted a culture of accommodation which allows and accepts drug trafficking and production as a way of making money. • The Caribbean's geography/topology makes it susceptible to and attractive to DTPOs. • The drug trade can sometime overshadow the legal economies.

Figure 5.2 To What Extent In Drug Trafficking and Production A Major Problem for St. Vincent and The Grenadines?

Summary	Summarized Interview Responses
Drug trafficking is on the rise within the Caribbean. Persistent issues such as poverty, corruption, and political and economic instability recurrent plague these small island-nations. The limited development funding available within these chronically under-financed countries remains an important challenge. Many, rely on tourism for their survival, and with the current relatively unfavorable status of the current world economy, tourists are less likely to be engaging in discretionary traveling around the globe. This has had a spiraling effect on the economic and social stability of islands, where, for instance, many agriculturalists who own small parcels of land or local businesses in St Vincent and the Grenadines now are found turning to growing marijuana for much-needed supplemental income.	<ul style="list-style-type: none"> • In SVG, marijuana is easily grown and farmers can get lots of money for it. • Unemployment is too high many people feel they have no choice but to grow <i>ganja</i>. • Small Islands like SVG do not have the infrastructure or resources to combat the big organized from groups that are forming. • Drugs and associated, problems are becoming part of SVG culture. In popular culture, SVG calypsonians and artists are now singing about the problems due to addiction and gang violence. • Sharp declines in the revenue from bananas have forced some farmers into making their livelihood in marijuana farming.

Figure 5.3. What Are the Major Types of Drug Trafficking Organizations Active In St. Vincent and The Grenadines?

Summary	Summarized Interview Responses
The types of organizations in SVG associated with DTPOs and their varying activities are anywhere from the highly organized crime syndicates to smaller street level gangs and small farmers.	<ul style="list-style-type: none"> • The school drop-outs and unemployed are often associated with growing it • The trade is mixed up with the guns, people have to protect it, and this has morphed into neighborhood and block gangs. • Corrupt government officials and lawyers. • Venezuelans, Jamaicans and South Americans as part of the cocaine trade have made connection in SVG • Large organized crime syndicates from Europe and North America.

Figure 5.4. Is It Drug Trafficking or Drug Production that Is More Active In St. Vincent and The Grenadines? And What Are the Major Activities Associated With Drug Trade Operations?

Summary	Summarized Interview Responses
St. Vincent and the Grenadines is the largest producer of marijuana in the Eastern Caribbean and the source for much of the marijuana used in the region. Production of marijuana and the trafficking of cocaine and marijuana are all major parts of the DTPOs in SVG.	Trafficking of marijuana to other islands SVG is currently cited as one of the top suppliers of marijuana to the region.

Figure 5.5. What Are the Major Effects of the Illegal Drug Trade to the SVG's Economic, Social and Political Development (These Can Be Threats or Benefits)?

Summary	Summarized Interview Responses
<p>The negative effects tend to outweigh the economic benefits of drug trafficking in SVG. While DTPOs do in fact make some revenue for the state of SVG. The corruption gun-play, murder, violence and other social, political and economic ills associated have a more profound effect.</p>	<ul style="list-style-type: none"> • Increased involvement of the youth in the activities of DTPOs and production. • People have become scared because of the increased fighting and guns and violence. • Acceptance of marijuana as a money-maker and recreational substance. • Fast money and what they can get quickly. • Youth have become disillusioned because of the high unemployment recently there have been quite a lot of crime, with disappearances and murders associated with DTOs and the youth. • Gang activity and gang violence for greater amounts of the drug market or the trafficking routes. • Money laundering through legitimate and illegitimate businesses in order to wash the large amounts of cash generated from the trade. • Corruption of high-ranking and lower-ranking public servants. • The corruption has made the population very distrusting of organizations like the T&TPS. • The DTPOs influence workings of the state and threaten state legitimacy.

Figure 5.6. What Are St. Vincent and the Grenadines Capabilities to Combat Drug Trade Operations?

Summary	Summarized Interview Responses
<p>Numerous Caribbean governments also lack the necessary funds needed to properly address security issues involved in combating drug trafficking, as some islands are still without a designated police force or coastguard service to properly monitor and ward off the danger posed by it.</p>	<ul style="list-style-type: none"> • Too often chemicals used in marijuana eradication affect other crops. • Inadequately trained and insufficient numbers of police and security personnel. • Inadequate technological capabilities. • No canine support and insufficient customs and port security. • SVG does not require annual audits of the reporting of suspicious activities of offshore businesses under their Crime act. • The topology of the island is such that the drug traffickers plant the marijuana on the northern side of the island which is remote and difficult for law enforcement to reach easily. • The coast only protected by 2 boats and has too many illegal airstrips. • The Prime Minister is the minister of national security and legal affairs (conflict of interest/inefficient division of powers).

Figure 5.7. What Are the Regions Capabilities to Combat Drug Trade Operations and Are These Capabilities Sufficient Enough By Your Estimation?

Summary	Summarized Interview Responses
<p>Smaller islands like SVG rely heavily on assistance and aid from other states including North America, South America, Europe and other Caribbean islands. Cooperative drug interdiction efforts amongst regional and international groups have met the best success.</p>	<ul style="list-style-type: none"> • Unfortunately the most states in the Caribbean region tend to depend too heavily on the aid and currents of focus of more developed states. • Some states are much better equipped legislatively and tactically to battle the drug war, while others are much weaker. • Limited national funds are available for drug interdiction efforts. • Many of the less developed states in the region are too reliant on external funding and aid • Much of the funding for counter-narcotics, coming from developed states like the US and the UK has decreased in this global depressed economy. • The British Royal Navy has dropped their warship patrols in the Caribbean • There is an overall lack of the technologies. • There are limited personnel and resources in policing the region.

Figure 5.8. What Are the Major Comparative and Competitive Advantages In Drug Trade Operations?

Summary	Summarized Interview Responses
<p>The comparative and competitive advantages that island states have in the operations of DTPOs are part of a complex combination of systemic and infrastructural weaknesses, geography and history legacies.</p>	<ul style="list-style-type: none"> • Arable land • Limited Police and Customs presence • Major limitations on what the state can do in terms of drug interdiction efforts • Political Will • Economic shortcomings Money - making it and sometimes not having it. • Geography/Topology

Figure 5.9. How Important Are These Comparative and Competitive Advantages to Drug Trade Operations In The St. Vincent and The Grenadines?

Summary	Summarized Interview Responses
The Proliferation of Drug Trafficking and Production in SVG is not simply the outcome of supply and demand factors.	

Figure 5.10. What factors would you identify as being the major contributing instruments of illicit drug trade operations St. Vincent and the Grenadines?

Summary	Summarized Interview Responses
Caribbean states have large coastlines and territorial waters to control and little capacity to police these areas. The small criminal justice system is overwhelmed with little resources for the police, courts, and prisons. The high levels of seasonal tourist inflows, which in some countries are higher than the size of the local population, strain law enforcement capabilities.	<ul style="list-style-type: none"> • Money - making it and sometimes not having it. • Arable land – agriculture • Cultural acceptance -public education. • Economy - lack of employment; why would someone find a low-paying skill-less job when they could make so much more money? • Social acceptance of DTPOs and the lifestyle they offer. • Demand - The levels of demand that in the states that would pay for the drugs. • Supply - The need of drug suppliers for better and more efficient routes to their markets.

Figure 5.11. What Is the Importance of Supply and Demand to the Proliferation of Drug Trade Operations In the Region?

	Summarized Interview Responses
	<ul style="list-style-type: none"> • It is a phenomenon based on greed and lack of money. • It includes the comparative and competitive advantages as described in this research. • People especially in SVG need to make money if there is market for it, some people will try to take advantage of that.

Figure 5.12. Do You Predict That There Will Be An Increase or Decrease in Drug Trade Operations in St. Vincent and The Grenadines? Why?

	Summarized Interview Responses
<p>Given the geographic location of the Caribbean, between the cocaine suppliers of South America and cocaine consumers in North America and Europe, illegal drug trafficking requires constant policing and prevention. The total value of drug trafficking activities in the Caribbean is roughly 3.5% of the region's GDP. In 2007, traffickers moved an estimated 240 metric tons of cocaine through CARICOM countries into the U.S. and Europe. South American producers now export 844 tons of cocaine yearly, 16%, or approximately 135 tons, of which flows through the Caribbean. With continued U.S. pressure on Mexican drug routes, the amount of Caribbean trafficking is only expected to grow.</p>	<ul style="list-style-type: none"> • Marijuana trade is only going to get worse, because of the removal of the bananas. • It has become an epidemic in most of the countries in the region and will become very difficult to eradicate. • Problems with the mealy bug and other plagues of agriculture. • Tourism is not taking off in the way it was anticipated it would. • More people going to the hills to the remote DuValle/Windsor forest areas

Figure 5.13. Do You Predict That There Will Be An Increase or Decrease in Drug Trade Operations in the Region? Why?

Summary	Summarized Interview Responses
<p>The scourge of drug use and trafficking wherever they occur will create challenges, it has become imbedded in political, economic and social infrastructures of many of the smaller Caribbean states.</p>	

Figure 5.14. Do You Think That Southeastern Caribbean States With Similar Comparative Advantages in Drug Trade Operations Have the Same Levels and Challenges Associated With Drug Trafficking and Production?

Summary	Summarized Interview Responses
<p>Most respondents agree with the following idea. The proliferation of the DTPO phenomena analyzed on a state by state basis as each individual as its own particular economic, social and political environment. Analytical frameworks such as the one introduced in this research (Armstrong) allow for a better comparative structure under which we examine the regional problem.</p> <p>Certain types of crime and violence—in particular, organized crime and drug trafficking—are largely impervious to prevention approaches. There is an especially urgent priority is the development of management information systems and performance indicators for better problem diagnosis, tracking of system outputs, monitoring reform programs and providing increased accountability to citizens.</p>	

Figure 5.15. Is There Any Particular Issue That You Feel the Academic, Security or Political Establishments on Drug Trade Operations in the Region Have Overlooked?

Summary	Summarized Interview Responses
<p>Due to harsh economic problems like the decline of the banana industry. Citizens in SVG would benefit from a comprehensive and thorough examination of the Drug Dilemma.</p>	<ul style="list-style-type: none"> • Now it seems that too many people depend on the drug trade, the support the formal economy there is symbiotic relationship yet. • Trends in crack-downs on the DTPOs seem to be linked to more nefarious objectives by the state • Focus on forecasting of the proliferation of and potential threat of DTPOs in the region

Results for St. Vincent and the Grenadines

To what extent is drug trafficking and production a major problem for the region and St. Vincent and the Grenadines?

As the researcher analyzed the results of the interviewees' response to this research question, it was interesting to discover the similarities and differences between

Trinidad and Tobago (T&T) and St. Vincent and the Grenadines (SVG) regarding the illicit narcotics trade. Hence, in the proceeding sections, a discussion through the analysis of the data gathered in these interviews, will be measured in the following way:

The Proliferation

- An examination of major drug production and trafficking organizations active in SVG.
- An analysis of the methods (including frequency) utilized by established networks for major drug trafficking, production and other activities.

The Effects

- An analysis of the major effects of drug trafficking organizations, and the production and trafficking associated with them.
- An examination of the states capabilities in combating drug trafficking and production.

Proliferation

All interviewees agreed that drug trafficking and especially production of marijuana is a major problem for SVG.⁸ This is particularly the case for many of the small island states facing challenges with production of goods like bananas, cocoa and sugar and declines in tourism. In SVG income associated with the revenues coming from the sale of bananas took its first hit during the 1990s Banana Wars with Bill Clinton. During this time, St. Vincent and the other Windward Islands economies that had been

⁸ Respondents nos. 1,2,3,4, 5, and 6 interview by Ayanna Armstrong, Atlanta, Georgia, July 24, August 1 and 24 and September 11, 23, and October 27, 2011.

dependent on bananas as their main export crop since the middle of the 20th century, had been producing bananas for export to Britain under a preferential import system for former colonies.⁹ This system of preferential access continued into the 1990s until the World Trade Organization (WTO) ruled in favor of a U.S. (under the Clinton Administration) complaint against the EU regime; today this is referred to as the Banana Wars. Since the WTO ruling in 1997, and a later agreement reached in 2001 that the EU would eliminate its quota system and introduce a tariff-only system, numerous banana farmers in St. Vincent have abandoned banana cultivation as it was no longer as lucrative a trade.¹⁰ Most recently, the blight known as Black Sigatoka disease has now brought an even bigger threat to the banana industry in SVG. The Black Sigatoka blight affects the bananas for up to 5 growth cycles, and is specifically why the banana sector in SVG has virtually collapsed, leaving many people without a livelihood.¹¹

Contrarily, marijuana is easily grown and people who farm it can earn a substantial income. The volcanic soil is very rich and the marijuana is grown in remote areas that law-enforcement find particularly difficult to locate or penetrate. The groups that have been identified as most active in the trade include local youths, as well as unemployed and unskilled workers. Notable regional players are involved in what is known as the *pirogue* trade of marijuana. With so much inter-island traffic in the *pirogue* boats of SVG, marijuana consumers in places like Barbados, Trinidad and other

⁹ Anna M. Torgerson, "Fair Trade Banana Production in the Windward Islands: Local Survival and Global Resistance," *Agriculture and Human Values* 27, no. 4 (December 2010): 478-479.

¹⁰ Anna M. Torgerson, "*Fair Trade and Global Justice: The Case of Bananas in St. Vincent*," Cultural Shifts, <http://culturalshifts.com/archives/163> (accessed September 23, 2011).

¹¹ Respondent no. 6, interview by Ayanna Armstrong, Atlanta, Georgia, October 27, 2011.

Caribbean states rave about the potency of SVG marijuana. Meanwhile at the national level, unemployment which is already very high is getting higher as the government struggles to combat the Sigatoka blight and provide jobs for its citizens.¹²

Respondent four (4) indicated that the planting of marijuana has become particularly popular amongst the younger people and that older farmers tended to stay away from planting the illicit crop.¹³ The direct threat to their banana livelihood and high unemployment has caused more and more farmers to "go into the hills" and plant marijuana. "Too many people in the younger generation have accepted that the marijuana trade is the only way for them to make money."¹⁴ Many youth have accepted the casual use of marijuana, and it has become part of the popular culture. The calypsonians who may have historically sung about politics, partying and having fun are now singing about the problems of drug use and gang violence.

While there has been evidence of some cocaine trafficking in SVG, marijuana production and trafficking appears to be its biggest problem.¹⁵ Interestingly, respondent four (4) brought to the researcher's attention that some news articles in Barbados have blamed SVG for the scourge of marijuana use in that country.¹⁶ Furthermore, respondent five (5) stated that it has now become a very high risk for SVG citizens to simply deliver

¹² Respondents nos. 1, 3, 4, and 5 interview by Ayanna Armstrong, Atlanta, Georgia, July 24, August 24 and September 11 and 23, 2011.

¹³ Respondent no. 4, interview by Ayanna Armstrong, Atlanta, Georgia, September 11, 2011.

¹⁴ Ibid.

¹⁵ Ransford W. Palmer, "The United States Win Win Relationship with the Caribbean," *The Brown Journal of World Affairs* 16, no. 1 (Fall 2009): 154-155; Hymie Rubenstein, "Reefer Madness Caribbean Style," *Journal of Drug Issues* 30, no. 3 (Summer 2000): 466.

¹⁶ Respondent no. 4, interview by Ayanna Armstrong, Atlanta, Georgia, September 11, 2011.

the marijuana because in most other states, the penalty for citizens of SVG compared to citizens of those states is vastly different. This situation has been a major disappointment for SVG nationals. As a result, the network for trafficking the drugs has become more efficient with connections in states all over the region.¹⁷

Moreover, a recent 2012 State Department Bureau of International narcotics and law enforcement affairs report, cited SVG as the source for the majority of cannabis in the region.¹⁸ The report also identified growing regional connections that have been proliferating the trade. For example, Trinidad and Tobago was mentioned in the report to have been trading drugs and guns in exchange for cannabis with SVG nationals. The reports further stated that government officials from SVG have described a “marked increase” in remittance flows. According to these officials, St. Vincent has over 300 acres under marijuana cultivation. During 2011, government officials encountered no drug laboratories, yet eradicated 70 acres of marijuana, destroyed 1,696,021 plant and 39 kg of cocaine and 180 cocaine rocks.¹⁹

Respondent five (5) discussed that many SVG marijuana smugglers no longer want to make the trip into international waters to make their deliveries. This is due to the fact that the penalty for capture is often decades-long detention in some cases. The respondent stated that drug organizations sometimes make coordinated drops for

¹⁷ Respondent no. 5, interview by Ayanna Armstrong, Atlanta, Georgia, September 23, 2011.

¹⁸ U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2006*, (Washington: Department of State, May 2012), <http://www.state.gov/j/inl/rls/nrcrpt/2006/vol1/html/62108.htm> (accessed March 12, 2012); Ranesford W. Palmer, “The United States Win Win Relationship with the Caribbean,” *The Brown Journal of World Affairs* 16, no. 1 (Fall 2009): 154-155.

¹⁹ U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, *International Narcotics Control Strategy Report 2006*, (Washington: Department of State, May 2012), <http://www.state.gov/j/inl/rls/nrcrpt/2006/vol1/html/62108.htm> (accessed March 12, 2012).

smugglers from other states to collect or have those smugglers come to SVG to collect the contraband.²⁰ Other popular types of smuggling include smuggling the drugs onto bigger boats which can carry a large quantity of marijuana and using drug mules. Even though marijuana is much lighter than cocaine, the high returns that SVG marijuana can often get in other Caribbean states, makes it worthwhile to smuggle even a few ounces. In the past few years, yachts and large commercial ships have been seized in SVG containing several hundred kilos to a few tons of cocaine or even a few hundred pounds of marijuana.²¹

According three of the interviewees, the types of DTPOs that have emerged in recent years include school drop-outs and the unemployed.²² Both groups are often associated with growing the illegal crop. Respondent one (1) asserted that the trade was related to increased use of firearms because those with a vested interest had to protect their businesses and turf. These disagreements have morphed into neighborhood and block gangs arising even in some of the smallest villages.²³ Corrupt government officials and lawyers have also emerged as a growing threat. The drug organizations themselves have become a real threat to the affairs of the State. Earlier in 2011, direct threats were made on the life of the Prime Minister of SVG Ralph Gonzalves. According to the

²⁰ Respondent no. 5, interview by Ayanna Armstrong, Atlanta, Georgia, September 23, 2011.

²¹ Author Unknown, "Russian Police Close Two Cocaine Smuggling Channels from Latin America," *BBC Worldwide*, May 2, 2007, 1.

²² Respondents nos. 4, 5, and 6 interview by Ayanna Armstrong, Atlanta, Georgia, September 23, and October 27, 2011.

²³ Respondent no. 1, interview by Ayanna Armstrong, Atlanta, Georgia, July 24, 2011.

respondent, it appears that there is evidence linking the cocaine trade to larger organized crime organizations participating in trade in SVG from Europe and South America.

Effects

There have been various effects that indicate exactly the extent in which drug trafficking and production has developed in SVG. One very noticeable problem has been the increased involvement of the youth in the activities of DTPOs. Respondent number six (6) discussed how the market for marijuana has become so competitive that young people have become disillusioned because of the high rate of unemployment.²⁴ The respondent further stated that there have been spikes in the crime rates, and SVG is now experiencing crimes that were not previously common, such as kidnapping . For example, SVG has experienced an increase in disappearances and murders associated with DTPOs and the youth.

Furthermore, unemployment among women and the young is a serious problem. Many people are only seasonally employed. Temporary migration within the Caribbean and to industrial countries brings in remittances which are essential to many families. With extremely high unemployment and underemployment rates, population growth is a major challenge.²⁵ The Governor General Sir Frederick Ballantyne highlighted drug trafficking, an increase in violent crime, the deportation of hardened criminals from abroad, crimes against tourists, the infusion of guns in society and the new threat of terrorism as some of the areas and nature of crimes with which the local Police Force is

²⁴ Ibid.

²⁵ Respondent no. 6, interview by Ayanna Armstrong, Atlanta, Georgia, October 27, 2011.

confronted.²⁶ He explained that the demise of the banana industry was one possible explanation for the increase in crime. According to Sir Frederick, the last five-year period was a period of decreased earnings by the banana industry. “The industry’s decline,” he explained, “can only result in a rise in unemployment. The end result is a rise in crime as an alternative means for income.” “Unless we offer our youths a better alternative to unemployment, we may never solve the problem,” Sir Frederick said. The Governor General indicated that most of the crimes committed were due to the “manifestation of a fundamental lack of respect for human life.” This, he said, created a serious problem for the police.²⁷

Respondent number six (6) pointed out that the economic effects of the DTPOs include many houses being built and vehicles bought, while some people are benefitting greatly from the industry at the expense of others.²⁸ Examples of citizens being institutionalized and contracting serious drug addictions have also emerged. The respondent said that not only the marijuana trade but also the activities that go into planting and harvesting also ends up fueling smaller village economies.²⁹ When marijuana planters go into the hills they usually spend many weeks and need supplies when they go. They can afford the products in greater amounts than the average person in most instances, and as such they come down and spend money, buying bags of sugar and

²⁶ S. Coward, “*St. Vincent Police Strategies for Challenges*,” Caribbean Press Releases, <http://www.caribbeanpressreleases.com/articles/227/1/St-Vincent-Police-Strategise-for-Challenges/Page1.html> (accessed April 15, 2012).

²⁷ Ibid.

²⁸ Respondent no. 6, interview by Ayanna Armstrong, Atlanta, Georgia, October 27, 2011.

²⁹ Ibid.

flour. Too many people have become dependent on the revenue from the marijuana planting and drug trafficking industries. The phenomena of entire villages being dependent on the protection and resources of a particular drug boss or organization are also becoming more prevalent. It is becoming more difficult for the police to make arrests, as some citizens find it necessary to protect these organizations. Other citizens have become scared as the increased fighting, guns and violence have changed the culture.³⁰

The limitations of law enforcement's capacity to combat the problems with DTPOs are becoming more obvious and were discussed by a number of the interviewees. They highlighted the nature of small islands' dependency on the aid and assistance of larger States. The small island States of the Eastern Caribbean, islands like SVG do not have the infrastructure or resources to combat the big organized crime groups that are forming. Respondent number four (4) suggested that while SVG does receive aid from international organizations like the UNDP and Caribbean Basin Initiative, it never seems to be enough and the problems associated with the trade keep growing. In recent years there have been quite a few interdiction efforts including a few that were jointly done with places like Trinidad and Tobago (VincyPac)³¹ making use of their aeronautical support in helping eradicate some of the marijuana plants on the less accessible side of

³⁰ Respondent no. 6, interview by Ayanna Armstrong, Atlanta, Georgia, October 27, 2011.

³¹ Gonsalves, Ralph E. "The Fight Against Crime in St. Vincent & the Grenadines." ULP. <http://voteulp.com/vision/crime> (accessed May 10, 2012).

*Note :In May 2009, the Police Force of St. Vincent and the Grenadines, the Regional Security System (RSS) and the Police Force, Coast Guard and Army of Trinidad and Tobago mounted an operation in St. Vincent and the Grenadines, code-named "Vincypac". The number of police/security personnel in the operation was in excess of 600, including support personnel in the areas of medical services, laundry and the provision of meals. The operation lasted just over two weeks.

the island.³² In SVG, marijuana production is concentrated in the treacherous interior of the island which is often on slopes and difficult to access; one of the remedies for combating the growth of marijuana in these areas is to spray with pesticides and chemicals that kill the marijuana plants. Unfortunately, many of these chemicals also kill other plants and animal life. For this reason, the humanitarian community and foreign organizations have raised environmental health and safety concerns.

Respondents four (4) and six (6) suggested that many of the drug interdiction strategies are insufficient or inefficient. The police service does not have helicopters; there are only two boats to secure the islands' coasts. The police in SVG are inadequately trained and there are insufficient numbers of police and security personnel.³³ There are inadequate technological capabilities, no canine support and insufficient customs and port security. Even at the airport and ports there are not enough customs parameters and far too many illegal airstrips to be patrolled by so few personnel.³⁴ Respondent three (3) further suggested that some people in St. Vincent have adopted a culture of accommodation and acceptance where use of the narcotic is no longer seen as being addictive and dangerous as it once was. This culture allows and accepts drug trafficking and production as a way of making money and has become the rationale for some farmers to become involved in growing marijuana.³⁵

³² Respondent no. 6, interview by Ayanna Armstrong, Atlanta, Georgia, October 27, 2011.

³³ Respondents nos. 4 and 6, interview by Ayanna Armstrong, Atlanta, Georgia, September 11 and October 27, 2011.

³⁴ Respondent no. 6, interview by Ayanna Armstrong, Atlanta, Georgia, October 27, 2011.

³⁵ Respondent no. 3, interview by Ayanna Armstrong, Atlanta, Georgia, August 24, 2011.

Drug production and trafficking is indeed a problem for SVG. Threats to traditional agriculture such as the Black Sigatoka blight, and the loss of trade benefits, coupled with fertile soil and the mountainous terrain that provide excellent cover circumstances for the cultivation of marijuana production. Marijuana cultivation and drug (cocaine) trafficking are increasingly being used as a means of escaping poverty. The numerous coastlines and uninhabited islets create additional opportunities for drug smuggling. The Caribbean is a transit zone for drug and ammunition smuggling between South and Central America and destinations in North America and Europe.³⁶ The 2002 estimates were that 5% of cocaine (44 metric tons) from these source countries passes through the Lesser Antilles. The drug culture and associated violence and criminal activities further cause deterioration of societal norms and structures.³⁷

Additionally, a crime wave of a new kind is sweeping through the nation of SVG. No longer are crimes associated with squabbles between family members and neighbors or petty thefts. Many of the crimes being observed today are felonious crimes such as murders, gun-play and large-scale robberies that seem out of place in such a small society.³⁸ On the one hand, one may consider these crimes to be a response of a poor frustrated populace, while on the other, such crimes appear often to be influenced and associated with the growing drug culture, the deportation of convicts from the US and

³⁶ Lystra Culzac-Wilson, "Report to the Regional Consultation on (SIDS) Small Island Developing States Specific Issues" (report presented at the Annual Global Conference on Sustainable Development of Small Island Developing States, Port of Spain, Trinidad, October 6-10, 2003).

³⁷ Ibid.

³⁸ Ibid.

Canada and cultural intrusion through foreign music and television. SVG is relatively ill-prepared to deal with and accept these 'high-class' crimes.³⁹

Comparative and Competitive Advantages

When it comes to the discussion of drug trafficking and production, SVG is more readily associated with marijuana farming and the scourges that it causes, even though there has been known cocaine trafficking through SVG. According to one interviewee, the police has in fact observed an increase in movement of cocaine in airports, on *pirogues*, and go-fast boats.⁴⁰ Also, there have been a number of boats travelling to/from Trinidad and Tobago that exchange cocaine and arms for marijuana. At least 3 interviewees asserted that most of the cocaine is said to be coming in from Venezuela.⁴¹ Respondent number two (2) also discussed the increase in cash flow through money remittance systems as well, not only from places like the United States and Europe but also from places like Barbados and Trinidad and Tobago.⁴² One of the more frightening assertions given by at least three of the interview respondents was the fact that often, the traffickers and dealers are actually openly known not only by the community but also by law enforcement themselves and still no sanctions have been brought against them.⁴³

³⁹ Ibid.

⁴⁰ Respondent no. 2, interview by Ayanna Armstrong, Atlanta, Georgia, August 1, 2011.

⁴¹ Respondents nos. 1, 2, and 3, interview by Ayanna Armstrong, Atlanta, Georgia, July 24, August 1 and 24, 2011.

⁴² Respondent no. 2, interview by Ayanna Armstrong, Atlanta, Georgia, August 1, 2011.

⁴³ Respondents nos. 1, 2, and 3, interview by Ayanna Armstrong, Atlanta, Georgia, July 24, August 1 and 24, 2011.

Money Laundering

SVG, as is the case with other countries in the Caribbean, is exposed to money laundering because of drug trafficking and production (cultivation of marijuana); in addition to the presence of international criminal groups and the illegal activities in which they are involved. Also, SVG is a small but active offshore financial center with a relatively large number of international business companies. Respondent number one (1) asserted that money laundering is principally affiliated with the production and trafficking of marijuana in SVG, as well as the trafficking of other narcotics. Money laundering occurs most frequently through the various foreign and local banks, domestic and offshore money remitters.⁴⁴ There has also been a noticeable increase in fraud and the use of counterfeit instruments such as tendering counterfeit checks or cash over the last few years. In response to this, these occurrences have been exacerbated due to the increasing presence of deportees from places like T&T, the U.S. and Europe, as well as the presence of the criminal organizations taking part of the DTPOs.⁴⁵ The respondents further asserted that the production of marijuana mostly takes place on the northern half of the main island of St. Vincent which has substantial areas of land under drug cultivation. This area is near the La Soufriere volcano with steep slopes, narrow ridges and dense forests. In some places, the marijuana plants are placed so dangerously on the mountain slopes that the cultivators must rappel down to get to them.⁴⁶

⁴⁴ Respondent no. 1, interview by Ayanna Armstrong, Atlanta, Georgia, July 24, 2011.

⁴⁵ Ibid.

⁴⁶ Respondents nos. 2, 4, 5 and 6, interview by Ayanna Armstrong, Atlanta, Georgia, August 1, September 11, 24 and October 27, 2011.

SVG has indicated an awareness of the impact of the deficiencies in its counter-money laundering systems noted above. It is currently drafting anti-money laundering legislation that may address at least some of the deficiencies described above, and it is reportedly reviewing the operation of its offshore financial sector. In addition, a law passed in 1999 requires offshore financial institutions to report cash transactions in excess of US \$10,000 to the Offshore finance authority.⁴⁷

Nonetheless, the legal, supervisory, and regulatory systems of SVG at present create significant opportunities and tools for the laundering and protection of the proceeds of crime and allow criminals who make use of those systems to increase significantly their chances to evade effective investigation or punishment.⁴⁸ The structural weaknesses in SVG laws increase the possibility that transactions involving banks or other entities and accounts maintained in SVG will be used for illegal purposes.⁴⁹ The SVG economy is largely agriculture-based (bananas and other crops) but with a growing services sector including tourism, telemarketing and a small offshore financial sector. Presently, there are six licensed offshore banks, approximately 8,573 registered international business companies (IBCs), 13 licensed offshore insurance companies and 55 mutual fund companies operating in SVG. Currently, there are 154

⁴⁷ U.S. Department of the Treasury, Financial Crimes Enforcement Network, 2000, under “*Transactions Involving St. Vincent & The Grenadines*,” http://www.fincen.gov/news_room/rp/advisory/pdf/advis27.pdf (accessed April 20, 2012).

⁴⁸ Ibid.

⁴⁹ Ibid.

trust companies and 27 agents operating in SVG.⁵⁰ The offshore financial sector plays a role in the development of SVG. It is a direct and indirect employer of labor and also a generator of revenue for government. The potential also exists for foreign direct investment which would provide the necessary base for continued economic growth and development. Work related to international business companies and international trust companies dominate activities within the sector.⁵¹

Geography And Topography

The multi-island geography of SVG, leaves wide-opened coastlines for smugglers to transport, grow, process and transport the marijuana, easily exporting it throughout the Caribbean region. With so many islands, coves and cays in this multi-island state and limited Coast Guard resources and personnel it becomes very easy to travel in and out of SVG by boat.⁵² This allows for SVG to become a transit point for cocaine destined for Europe and Africa. Transportation routes are from Colombia and Venezuela to Trinidad, shipped through SVG towards St. Lucia and Martinique with final destination for North America or Europe.

Respondent five (5) discussed the ease with which a person could travel into the island of Mustique, in some cases due to lack of personnel, in others the fear that some customs and immigration personnel have of the DTPOs and the violence they threaten.⁵³

⁵⁰ St. Vincent & the Grenadines, “*European Community Country Strategy Paper and National Indicative Programme, 2008-2013*,” http://ec.europa.eu/development/icenter/repository/scanned_vc_csp10_en.pdf (accessed April 20, 2012).

⁵¹ Ibid.

⁵² Ibid.

⁵³ Respondent no. 5, interview by Ayanna Armstrong, Atlanta, Georgia, September 23, 2011.

Through the interview responses, it was established that the most popular methods of transportation involve i) private airplanes, ii) fishing and commercial boats, yachts, iii) automobiles and trucks, iv) by mail and by individual couriers (drug mules). The respondent also noted that in one of the biggest seizures of cocaine that was taken in SVG; the cocaine was hidden in bags of sugar.⁵⁴

The agricultural sector has been badly affected in the areas of rural employment and incomes as well as investment in agriculture. The numbers of registered banana growers have declined from an estimated 7,000 in 1990 to around 2,000 in 2003 and workers deriving all or an important proportion of their earnings from bananas have fallen from about 23,000 to about 6 or 7,000.⁵⁵ Three of the respondents discussed the potency of the marijuana coming out of SVG, noting that it is very popular with consumers because of its high potency.⁵⁶ The rich volcanic soil and the warm tropical climate combine to produce a plant that is very easy to grow, and does not even need to fully mature in order to be reaped (plants can be harvested at three or 6 months and flower all year round).

⁵⁴ Ibid.

⁵⁵ St. Vincent & the Grenadines, “*European Community Country Strategy Paper and National Indicative Programme, 2008-2013*,” http://ec.europa.eu/development/icenter/repository/scanned_vc_csp10_en.pdf (accessed April 20, 2012).

⁵⁶ Respondents nos. 3, 4, 5 and 6, interview by Ayanna Armstrong, Atlanta, Georgia, August 24, September 11, 23 and October 27, 2011.

Interdiction Limitations

The Royal Saint Vincent and the Grenadines Police includes a Coast Guard Unit, a small Special Services Unit with some paramilitary training, and the Fire Service.⁵⁷ Respondent number one (1) asserted that the country's capabilities to combat drug trafficking or production is a complex question. The main law enforcement forces are specifically located on the main island of St. Vincent while the marijuana fields are in the very mountainous areas often on the slope of the volcano where the soil is fertile and difficult to access.⁵⁸ Add to this the geographical ease with which the contraband can be moved off of the island, and it is a no contest. Respondent five (5) asserted that the country does not in fact have the resources or capability to police all of the hot spots.⁵⁹

Corruption/ Political Will

With respect to political will, it is noteworthy that before the marijuana trade became so threatening and entrenched, the government did in fact attempt to make major strides in their drug interdiction efforts. Respondent two (2) suggested that the security and political establishments were slow to address the drug culture in the early sixties.⁶⁰ Production and consumption were primarily marijuana based at that time. This respondent suggested that some members of the professional class, without any real analysis on the dangers of "weed" asserted that it was no more harmful than alcohol.

⁵⁷ United States Department of State, "U.S. Department of State Country Report on Human Rights Practices 2006 - Saint Vincent and the Grenadines, March 6, 2007," <http://www.unhcr.org/refworld/docid/45f056a411.html> (accessed April 20, 2012).

⁵⁸ Respondent no. 1, interview by Ayanna Armstrong, Atlanta, Georgia, July 24, 2011.

⁵⁹ Respondent no. 5, interview by Ayanna Armstrong, Atlanta, Georgia, September 23, 2011.

⁶⁰ Respondent no. 2, interview by Ayanna Armstrong, Atlanta, Georgia, August 1, 2011.

These institutions did not aggressively address the problem early enough and now SVG and much of the region is reaching crisis point. Too often the drug trade and the shadow economy overshadows the legal economy.⁶¹

SVG does not require annual audits of the reporting of suspicious activities of offshore businesses under their Crime Act. The Prime Minister is the Minister of National Security and Legal Affairs which is seen by some respondents as a conflict of interest/inefficient division of powers. Lack of capabilities to measure and follow the amount of marijuana production has become a major problem for the island. SVG is a growing financial center and the possibilities of more and more money laundering capabilities is growing. The illegal drug trade has infiltrated the legitimate economy of SVG, which seems to be moving to eclipse it.

Regional Outlook

In terms of the regional perspective, respondent number two (2) asserted that the first fears of drug use in the region came with and from visitors. However, over time traffickers have targeted school children and young people generally both to consume and peddle. Drugs at the present time have moved from marijuana, which is still the regional drug of choice, to cocaine. The regional use of cocaine has risen significantly in the last few years. Drug use (especially ganja) is now significant in most countries in the region.⁶² It may therefore be difficult, to predict any decrease in trafficking in the foreseeable future. Roaming criminals from neighboring countries especially Trinidad, Barbados, Grenada, St. Lucia, Guyana and Jamaica, and from Spanish-speaking

⁶¹ Ibid.

⁶² Ibid.

Venezuela, Colombia and the Dominican Republic, add to the heavy burden of Vincentian law-enforcement.⁶³

While levels of crime and associated circumstances vary by country, the strongest explanation for the relatively high rates of crime and violence rates in the region—and their apparent rise in recent years—is narcotics trafficking.⁶⁴ The drug trade drives crime in a number of ways: through violence tied to trafficking, by normalizing illegal behavior, by diverting criminal justice resources from other activities, by provoking property crime related to addiction, by contributing to the widespread availability of firearms, and by undermining and corrupting societal institutions. At the same time, it should be recognized that there is a trade-off between resources spent on combating drug trafficking and those spent on other forms of crime and violence prevention.

Evidence from Jamaica and other countries shows that the average deportee is not involved in criminal activity, but a minority may be causing serious problems, both by direct involvement in crime and by providing a perverse role model for youth.⁶⁵ More services should be offered to reintegrate deportees, along the lines of those provided by the Office for the resettlement of deportees in St. Kitts and Nevis. Options should be

⁶³ Ralph E. Gonsalves, “The Fight Against Crime in St. Vincent & the Grenadines,” ULP, <http://voteulp.com/vision/crime> (accessed May 10, 2012).

⁶⁴ UN Office on Drugs and Crime and the Latin America and the Caribbean Region of the World Bank, “*Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean*, 2007,” http://www.unodc.org/pdf/research/Cr_and_Vio_Car_E.pdf (accessed April 20, 2012).

⁶⁵ Ibid.

explored for deporting countries to shoulder a significant portion of the costs of these programs, in exchange for serious monitoring and evaluation of program effects.⁶⁶

Given that Caribbean countries are transit and not producer countries of cocaine, interdiction needs to be complemented by other strategies outside the region (principally demand reduction in consumer countries and eradication and/or alternative development in producer countries).⁶⁷ Within the region, policies should focus on limiting the availability of firearms and marijuana and on providing meaningful alternatives for employment.⁶⁸

⁶⁶ Ibid.

⁶⁷ Ibid.

⁶⁸ Ibid.

CHAPTER VI

RESEARCH IMPLICATIONS AND CONCLUSION

Overview

The purpose of this study was to examine drug trafficking and the major challenges that it poses to Caribbean development, particularly the cases of St. Vincent and the Grenadines (SVG) and Trinidad and Tobago (T&T). The analysis offered in Chapters IV and V expressed the specific challenges to SVG and T&T due to the proliferation of DTPOs. Chapter VI, however, summarizes the key elements of this research and offers policy prescriptions and further research implications in response to some of these challenges.

Discussion

The comparative and competitive advantage framework used in this analysis sought to achieve two things for the understanding of the drug trade phenomenon in this region. Firstly, it acknowledged a certain level of culpability on behalf of the state governments, scrutinizing the systemic factors that perpetuate the drug scourge. For example, weak drug interdiction efforts, anti-money laundering efforts and corruption were examined. Secondly, the comparative and competitive advantage framework explained the role that globalization and geography play in the supply and demand chain of drug trafficking. Six comparative and competitive advantages in drug trafficking and production in the Southeastern Caribbean including:

- Democratic Westminster Parliamentary System

- Weak National Security and Law Enforcement Capability
- Tax Havens/High Money Laundering Capabilities
- Arable Land
- Globalization and its attendant consequences.(including trade liberalization)
- Strategic Location between South America, Europe and the United States

Based on the findings, all six of these factors played a significant role in the proliferation of drug trafficking in the region. Nevertheless, three emerged as the leading catalysts to the trade for both production and trafficking. First, the geography of the region, particularly SVG and T&T, ideally position them between supply and demand states. This finding supports existing research which has shown that the Caribbean region is a major transshipment location for drugs destined for North America and Europe.¹ Second, the findings also showed that these states are often not efficient in curbing the drug trade and this is a major factor for the level of penetration of DTPOs. The third finding indicated that money laundering is a major element of drug trafficking, and the region's limited legislation and technologies have made it a lucrative illegal business for those involved in the trade.

The effects of the drug trade that have emerged from this research are numerous. First, the drug trade produces local drug use problems, as couriers are often paid in

¹"*Region must up Drug Fight*," Nation News, <http://www.nationnews.com/articles/view/region-must-up-drug-fight/> (accessed April 19, 2011); Ivelaw L. Griffith, *Drugs and Security in the Caribbean Sovereignty Under Siege* (University Park, Pennsylvania: Pennsylvania State University Press, 1997), 27; Brooke J. Taylor, "Caribbean Drug Trafficking and the Western Hemisphere," SCRIBD, <http://www.scribd.com/doc/73163901/Caribbean-Drug-Trafficking-and-the-Western-Hemisphere> (accessed April 22, 2011).

product rather than cash and are thus compelled to sell on local markets. This is apparent in both SVG and T&T. Second, the trade in both states has destructive effects such as domestic crime problems, including youth gangs, high levels of drug abuse, prostitution, murder and other crimes which threaten the security of the citizens in those states. One of the most critical findings of this study was that drug transactions also involve the trade of firearms for drugs which directly contributes to the spiraling murder rate in the Caribbean. According to respondent three (3) of T&T, the Venezuelan government in 2007 replaced its FAL Belgian-produced weapons with new Russian AK-103 caliber assault rifles. Unfortunately, some of the replaced FAL weapons started showing up in Trinidad and were specifically linked to drug killings.² Based on this finding, I have concluded that the deepening relationship between Russia and Venezuela also has possible implications both good and bad for the region, as the avenues of hemispheric trade change.

Additionally, it was found that the movement of drugs inevitably involves corruption of local law enforcement officials, civil servants, through acts of coercion and bribery perpetrated by the DTPOs. The cash centered drug trade makes all attempts to legitimize its money through money laundering, which in the case of both T&T and SVG is easier than in other states due to limited legislation and technology. Conversely, it was found that SVG farmers who for decades grew vegetables had now abandoned that livelihood for the more lucrative illegal production of marijuana, despite the many negative social and political effects the drug trade has had on the island.³

² Respondent no. 3, interview by Ayanna Armstrong, Port of Spain Trinidad, May 27, 2011.

³ Respondent no. 4, interview by Ayanna Armstrong, Atlanta, Georgia, September 11, 2011.

The research finding for T&T, which was most alarming, showed that many youths turned to selling drugs as a response to depressed circumstances, where educational and job opportunities are not easily accessible. Therefore, in doing a cost-benefit analysis, it was concluded that the loss of social capital, increases in crime, political corruption and mismanagement brought about by the drug trade have far more destructive costs as opposed to economic gains. Furthermore, the costs associated with drug interdiction efforts appear to never be sufficient and are leeching even more money and resources away from other legitimate state activities. Most recently, the almost three month long state of emergency that took place in T&T 2011, not only caused the government to spend extra resources and money on security, but also caused many businesses and events to lose revenue. Some businesses were even forced to close their doors indefinitely due to poor sales, since the government's mandated curfews restricted the citizens in their movements and activities.

Furthermore, the results of this research showed that Eastern Caribbean states such as St. Vincent and the Grenadines cited economic and developmental depression as the foundation of the drug trade problem. In T&T which is better off than many other Caribbean states, challenges still emerge in how the state best utilizes its resources and capabilities. The literature review is in agreement with the individuals interviewed for this study that at this time, drug trafficking-related violence is particularly concentrated in drug production and drug transit zones, affecting the Andean region as well as the drug transit zones through Mexico, Central America, the Caribbean, Venezuela, and Brazil.⁴

⁴ Clare Ribando Seelke, Liana Sun Wyler and June Beittel, "*Latin America and the Caribbean: Illicit Drug Trafficking and U.S. Counterdrug Programs*," Congressional Research Service, <http://fpc.state.gov/documents/organization/142364.pdf> (accessed April 30, 2010).

For this reason, I urge government leaders in the Caribbean to collaborate with each other, and to develop a strong preemptive and decisive attempt at reinforcing its borders and security apparatus as the threat of DTPOs rise in the region.

This study reinforces the importance for further research to be conducted since the literature review indicated a gap in this field. Overall, the findings of this study provide the opportunity for researchers and scholars to consider conducting further research in this subject area, since the proliferation of DTPOs is a global challenge and require a holistic and integrated combating effort.

Recommendations for the Southeastern Caribbean

Before I propose my policy recommendations, I find it essential to note that this was the first study of its kind to examine the proliferation of the drug trade in the Southeastern Caribbean region. Therefore, the findings of this study should encourage other researchers and scholars to conduct further studies to understand the challenges that these smaller islands experience as a result of this illicit trade.

The policy prescriptions offered will be based on the following policy substratum:

Table 6. Policy Substratum

Advantage	Policy Base
Democratic Westminster system	Anti-Corruption
Weak National Security capabilities	Risk assessment and system efficiency
Money Laundering/Tax Havens	Systems reinforcement
Arable Land	Development
Globalization and its consequences	Economic development and opening up of new trade and partnership roles
Proximity and strategic position between South America, Europe and the United States	Joint regional development efforts and special status treatment for the Caribbean

Democratic Westminster System

As a political strategy it is my suggestion that the best way to counter DTPOs is to strengthen linkages between local, regional and international national security agencies. In order to achieve this objective, all members of the Parliament ought to put aside party loyalty and work towards enacting new laws that will give the agencies the power to fulfill their mandates. This new form of governance is missing in the Caribbean. There is a need for better alignment between the national, regional and international agencies where greater collaboration, coordination, intelligence sharing, training of personnel to track deportees and other tactics are at the nucleus of such initiative. The policy prescriptions offered in this study recommend policies that directly address the systemic issues explained through a comparative and competitive advantage lens. Criminologists, Gregory D. Lee and Stephen L. Mallory, affirm that one of the most effective ways to intercede DTPOs and their illicit activities is by following their financial activities and instruments.⁵⁶ The state's response to its national security and DTPOs can be analyzed by examining the financing of anti-drug security apparatus of the state. As a consequence, I suggest developing a comprehensive procedure for examining the effectiveness of existing policy and national security budget allocations. This would allow for increased accountability on behalf of the state. In this study, it was discovered that when a new political party takes up government in the region, quite too often the new government

⁵ Gregory D. Lee, *Global Drug Enforcement: Practical Investigative Techniques* (Boca Raton, FL: CRC Press, 2004), 267.

⁶ Stephen Mallory, *Understanding Organized Crime 2nd ed.* (Sudbury, MA: Jones and Bartlett Learning LLC, 2012), 155.

embarks on its own methods and structures for monitoring the state's affairs; thus, the initiatives of the previous regime to monitor the state's affairs are dismantled.

Another important reason for developing a comprehensive procedure for examining the effectiveness of existing policy and national security budget allocations is to regain the trust of the international community. For example, the international community has decreased the economic and logistical contributions that it provides to the Caribbean region. It is speculated that the international community's growing concern about the high levels of corruption and ineffective use of aid given towards Caribbean security were partly responsible for the decreased. Hence, a stronger reinforced operation of the national and regional security forces is desperately needed. This could prove to be the appropriate currency to reinvigorate international investment and assistance to the region.

Moreover, also missing in most Caribbean states is a good mechanism to minimize corruption. Hence, I recommend reforming administrative procedures, accounting and procurement practices, and the record keeping commonly used in these states. Anti-corruption reform efforts, which focus on prevention should take into consideration and be integrated with other reform programs, such as those in financial management and civil service. A particular area where international organizations could add value to regional efforts lies in their ability to access and share cutting edge, innovative and effective international "good" practices expertise. For example, the Caribbean region needs assistance in detecting and analyzing the nature and extent of corruption, stimulating homegrown and context specific solutions through participatory processes, and enhancing these with lessons and experiences from other countries and

regions. International partners can also facilitate access to appropriate information communications technology to fight corruption, as an integral part of each Caribbean state's institutional reforms. International organizations also have a critical role to play in supporting the ratification and implementation of global and regional treaties that attack both the demand and supply sides of bribery and corruption, and to provide the impetus for international cooperation in this struggle.

Arable Land

The region is plagued with a number of agricultural development challenges, and as mentioned earlier in this chapter farmers who once grew vegetables in the past have now abandoned that livelihood for the more lucrative illegal production of marijuana. Therefore, to address this concern I offer four possible agricultural strategies to reinvigorate agrarian development for the Caribbean region. First, an agricultural export diversification program is suggested. For example, countries with strong agricultural sectors should move away from traditional agricultural exports and instead pursue a strategy of export diversification based on non-traditional commodities. These could include a variety of fruits and vegetables, some of which could be grown organically. This strategy suggests an exit from the sugar and banana industries.

Second, in order to meet food security concerns, countries pursuing an export diversification strategy should reduce food imports and expand production for the domestic market by developing a competitive import replacement strategy. Import replacement would differ from import substitution to the extent that domestic production would be required to be competitive. Competitiveness should be seen not only in terms of

price but also taste, freshness, food quality and food safety. An orientation towards an organic approach is implied in this approach.

Third, the need for strengthened tourism and agriculture linkages between regional states are needed at this time to help bolster Caribbean economic development. Specific suggestions are for the development of community based tourism products such as eco-tourism, rural-tourism, agro-tourism and new tourism co-operation processes such as tourism product clubs and enterprise networks. Finally, to provide the highest quality services to its customers with this new initiative, professional training is suggested to help build a network known for excellence.

Tax Havens/ High Money Laundering Capabilities

For much of the Southeastern Caribbean money laundering has become a major problem closely associated with drug trafficking and production. Hence, I suggest focusing on money laundering systems and processes as a method to combat this problem. There must be a move to facilitate “following the money” by strengthening systems that allow law enforcement agencies to know how much, by whom and through what channels the money is moving and to whom it is intended for. Southeastern Caribbean states need to develop guidelines for to address money laundering and to combat the financing of terrorism. The national, regional and international security bodies which deal with financial crime need to be more proactive and emphasize more effective intelligence gathering and sharing, to allow for early detection of suspicious financial activities and flows. For this reason, I suggest six policy recommendations below.

First, a transparent governance mechanism should be developed to protect political opposition and ordinary citizens from experiencing inappropriate spying on and wiretapping. If this is not developed, it is my belief that there could also be negative effects on legitimate business due to lack of trust in the system by citizens. As the adage goes in national security circles ‘trust but verify’ which implies that people at all levels of the financial intelligence and investigative system must be carefully vetted.

Second, a greater examination of the formal memorandum of understanding between law enforcement and national security agencies nationally, regionally and internationally needs revision. Any new initiative should include the network of stakeholders in the financial system; for example, banks and insurance companies should be consulted with before the development of new policies and procedures to address money laundering concerns. Third, a major effort to recruit and properly compensate highly skilled professionals in the information and communication technologies, finance, and banking fields should be given priority as is the case in the medical and other high need fields. Also needed, is the strengthening of the technology platform in such a way that financial intelligence and investigative programs will encompass a “cyber crime competence” as a core function in the ongoing acquisition, modernization and use of a diverse set of 21st century technologies.

Additionally, there is the need to adopt and adapt a program of well researched legislation where the emphasis will be on supporting administrative guidelines, to bring the Caribbean into the twenty-first century (some might say into the twentieth) regarding its responsibilities and requirements for the network of stakeholders to thrive in this new arena. Finally, to ensure the highest level of competencies and capabilities, ongoing

training and development at international standards must be provided to recipients of the training.

Globalization and its Consequences

I suggest three policy strategies for boosting Caribbean economic development in a globalized market. First, the development of an innovative framework to monitor new trading relationships is long overdue in the Caribbean. For instance, there are new and emerging trade agreements being developed, and new trading routes being opened in the region. An example of this is the new trading route between T&T and Panama and Colombia and between many of the Eastern Caribbean states and Venezuela (Petrocaribe program).⁷ Therefore, I believe that the success of this initiative requires the set up of mechanisms to carefully monitor this new relationship.

Second, infrastructure improvements are recommended to attract investment. I believe that infrastructure improvements are important in diversifying exports from the Caribbean. It also provides direct benefits to households in developing countries by improving their access to services, such as water, electricity, health, and telecommunications. Infrastructure improvements in areas such as shipping ports and telecommunications also help firms reduce business costs as well as generate new business opportunities. Additionally, local companies targeting the regional market, have benefited greatly by targeting the regional market when the national market has become

⁷ Lesroy W. Williams "Government Energy Opens Office" St. Kitts-Nevis Observer, No, 724. September 1, 2008. <http://www.thestkittsnevisobserver.com/2008/09/12/news22a.html> (accessed July 31, 2012)

*Note: Petrocaribe S. A. is a Caribbean oil alliance with Venezuela to purchase oil on conditions of preferential payment. The alliance was launched in June 2005. The payment system allows for a few nations to buy oil on market value but only a certain amount is needed up front; the remainder can be paid through a 25 year financing agreement on 1% interest. The deal allows for the Caribbean nations to purchase up to 185,000 barrels (29,400 m³) of oil per day on these terms. In addition it allows for nations to pay part of the cost with other products provided to Venezuela, such as bananas, rice, and sugar.

saturated. For example, Digicel's (an Irish mobile phone company with a regional base in Jamaica) expertise and unique business model in the telecommunications industry has allowed it to penetrate markets throughout the Caribbean region.

Finally, due to the small size of the Caribbean economies, I recommend that regional governments offer legislative support to encourage partnering with international companies and organizations. By partnering with established international companies or organizations provides opportunities such as access to advanced technology, international business management, and marketing. For example, TCL group's (Trinidad and Tobago Cement Limited) alliance with Cemex (Mexico's cement company) allowed it to access foreign capital and Cemex's regional marketing experience.

Weak National Security Apparatus

I recommend that a major policy reform be conducted to address the weak national security and law enforcement services affecting the region. Three concepts that can best summarize what are needed to address this problem include: 1) improved Caribbean integration; 2) improved coordination and; 3) improved accountability. These reforms call for political will both at the macro and organizational level to help these agencies operate more efficiently and effectively. Strategies for strengthening risk assessment and system efficiency include:

The improvement of national security governance models through:

- Accountability and effectiveness of the national governance of the law enforcement and security sector. These require an effective policy (ministerial

level) coordinating mechanism and an effective management coordination of implementation (ministry level).

- Development of clear and workable national security policies, strategies and plans for the law enforcement and national security agencies. Also, ensure that the key players in these agencies understand the interdependencies and team dimensions of these plans and are familiar with each other's plans.

Institutional strengthening and change management:

- The various agencies must be strengthened through improved training, recruitment, organization design, improved compensation, professionalization, new technology, and improved leadership.
- The intelligence system must be modernized and operational under the umbrella of governance and intelligence sharing for appropriate usage. Based on this study's research findings, each agency appears to be functioning independently as opposed to collaboratively.

Link training nationally, regionally and internationally:

- Improved leadership training for these agencies is needed to produce highly qualified leaders at all levels of operations. For example, the region needs more improvement in the crime fighting areas of computer analysts, crime scene specialists, and financial professionals.
- Integrate regional and international security cooperative strategic system. Based on this study's findings, there seems to be a decentralized and weak set of linkages between the international, national and regional security agencies. A

more effective system of operation is needed. At present, crime fighting initiatives are not well coordinated among the different security agencies.

Proximity of South America, Europe and the United States

I propose four strategies to encourage joint regional development efforts and special status treatment for the Caribbean. Suggested joint regional development strategies have already been highlighted in the globalization section of this chapter. Other strategies in terms of geographical consideration include: First, strengthening public education and improving public information on all aspects of drug trafficking and DTPO's. Second, lobbying support for the reforming of Caribbean immigration laws. This would allow Caribbean citizens the opportunity to migrate to other Caribbean states with relative ease, as is the case with U.S. controlled the Bahamas island whose citizens have been given easier access to North America and Europe.

Areas of Future Research

This study indicated that the Caribbean region is under attack by the proliferation of the drug trade and that combating this problem would require a collaborative effort among international, national and regional agencies. It is my hope that the following policy prescriptions suggested below, would serve to encourage future research projects in this field.

Democratic Westminster Parliamentary system

- Endorse new accountability and transparency measures to fit the needs of the Caribbean.

- Examine new models of governance in the developed world and their relevance to small island states.
- Explore other integrating systems around the world. The search for more effective accountability systems for politicians is needed.

National security capability

- Develop more effective transparency and accountability systems.
- Promote organization effectiveness in the National Security Environment of the Caribbean.
- Utilize resource management as a method for more effective law enforcement operations.
- Develop leadership models for new modalities in national security and law enforcement.
- Promote change in long established and highly change resistant organizations.
- Develop more effective organization cooperation and move away from silos and turfs.
- Establish guidelines for maintaining 'human rights' for national security and law enforcement organizations.

Anti-money laundering

- Develop mechanisms to map the money trails and highways globally, regionally and nationally.
- Utilize the latest crime fighting technologies to combat money laundering.

- Train and educate security agencies about cyber crime and its consequences and solutions.
- Implement new methods of intelligence gathering on how money is moving across borders.
- Implement new methods for crime investigation.
- Create compensation systems to optimize integrity.

Arable land

- Examine who are the drug producers and traffickers and why.
- Explore the effective agencies and models that have been able to lure farmers from coca plant production into other agricultural pursuits in Afghanistan, Peru, Turkey, and Colombia.

Globalization and its consequences

- Invest more money into education, skills building, training, and mentoring of unemployed youth in the Caribbean.
- Explore micro and small business financing models in other parts of the world.
- Provide sporting opportunities for unemployed youths.
- Explore the modernization of cultural products globally, and how it can be pursued more successfully in some Caribbean states.

Strategic positioning between South America, North America and Europe

- Provide opportunities for enhanced trade, business and integration opportunities between the Caribbean and North America and Europe.

- Implement new immigration modalities to facilitate Caribbean people moving to North America and Europe with limited legal restrictions.
- Open new trading routes.
- Promote public education and communication models.
- Develop an effective monitoring system to deal with (human) deportees.

Conclusion

My initial survey of the literature identified missing elements in the literature on drug trade organizations and their activities in the region. The academic emphasis on drug trade effects and supply and demand prevention limited the study of drug trafficking in the region. This literature fell into one or more of three categories. The first type being literature based in Europe and North and South America, which made very little emphasis on the current roll of the Caribbean region in the global drug trade. The second set of studies emphasized the outcomes without effectively exploring the origins and reasons behind the drug trades presence in the Caribbean. Finally, reports, by major organizations such and the World Bank and UNDOC which used statistics to explain trends in the regional and global drug trade, with limited specific national analysis.

As a researcher, I believe the findings from the reports on DTPOs presence in the Caribbean region which cited decreases in drug seizures(cocaine), and demand in the United States as measurements of decreasing activity of DTPOs within the region are somewhat limited in their analysis.⁸ Instead it is the reality of globalization and improved

⁸ UN Office of Drugs and Crime, "World Drug Report 2012," p16 http://www.unodc.org/documents/data-and-analysis/WDR2012/WDR_2012_web_small.pdf (accessed July 15, 2012), and U.S. Office of National Drug Control Policy, "Cocaine Smuggling in 2010," p1.

technological and tactical methods of DTPOs combined with transitions in the supply and demand make for a very lucrative and in many ways vulnerable paths through states in the region such as Trinidad and Tobago and St. Vincent and the Grenadines.

Moreover, many of these islands are vulnerable in that they have the infrastructure to support the drug trade and limited capability to combat it. As drug trafficking in the Southeastern Caribbean islands spreads, there is a noticeable increase in the comparative advantages that these islands command for drug trafficking operations. Therefore, I strongly believe that the region's government leaders need to develop a comprehensive crime-fighting plan one which is robust, incorporates the latest technologies and fosters greater cooperation among the regional government leaders.

This research has shown that the traditional method of each country developing a crime-fighting plan for its country exclusively needs revision, since crime syndicates have operatives throughout the region. Hence, failure by regional leaders and their national security ministries to address this problem collectively could have long lasting negative consequences to the economic, social and political development of the region. I strongly believe that through greater accountability, transparency and efficiency on behalf of the state, regional and international cooperative ventures may find better success.

Appendix 1

Trinidad and Tobago List of Expert Respondents

Expert	Role/Organization	Date of Interview
Respondent 1	Director/High ranking Security Personnel	May 9, 2011. Port of Spain Trinidad
Respondent 2	Senior Civil Servant Financial sector	May 9, 2011. Port of Spain Trinidad
Respondent 3	Deputy/High Ranking Security Personnel	May 9, 2011. Port of Spain Trinidad
Respondent 4	High Ranking security personnel Ministry of Security	May 10, 2011. Port of Spain Trinidad
Respondent 5	TTPS/High Ranking Civil Servant	May 10, 2011. Port of Spain Trinidad
Respondent 6	Civil Servant Ministry of Security	May 10, 2011. Port of Spain Trinidad
Respondent 7	Deputy/High Ranking Security Personnel	May 10, 2011. Port of Spain Trinidad
Respondent 8	High Ranking Defense Force personnel	May 10, 2011. Port of Spain Trinidad
Respondent 9	International Security Personnel/ Regional official	May 11, 2011. Port of Spain Trinidad
Respondent 10	International Security Personnel	May 11, 2011. Port of Spain Trinidad
Respondent 11	Senior Civil Servant Financial sector	May 12, 2011. Port of Spain Trinidad
Respondent 12	Senior Civil Servant Financial sector	May 12, 2011. Port of Spain Trinidad
Respondent 13	Deputy/High Ranking Security Personnel	May 12, 2011. Port of Spain Trinidad
Respondent 14	Civil Servant Ministry of Security	May 12, 2011. Port of Spain Trinidad
Respondent 15	Deputy/High Ranking Security Personnel	May 16, 2011. Port of Spain Trinidad
Respondent 16	Consultant ministry National Security	May 16, 2011. Port of Spain Trinidad
Respondent 17	Former Civil Servant Ministry of Security	May 19, 2011. Port of Spain Trinidad
Respondent 18	Former high ranking civil servant Ministry of Security/ Regional official	May 20, 2011. Port of Spain Trinidad
Respondent 19	Former civil servant	May 23, 2011. Port of Spain Trinidad
Respondent 20	Former civil servant	May 23, 2011. Port of Spain Trinidad

Appendix 2

St. Vincent and the Grenadines List of Expert Interviews

Respondent 1	Former High Ranking civil Servant/Regional official	July 24, 2011. Telephone Interview
Respondent 2	Former High Ranking regional Financial sector	August 1, 2011. Telephone Interview
Respondent 3	Former High Ranking Security Official	August 24, 2011. Telephone Interview
Respondent 4	Former senior Civil Servant	September 11, 2011.
Respondent 5	Former SVG Diplomat	September 23, 2011.
Respondent 6	Former Security Official	October 27, 2011.

Appendix 3

Respondent Permission Slip

COMPARATIVE AND COMPETITIVE ADVANTAGES OF DRUG TRAFFICKING IN THE SOUTHEASTERN CARIBBEAN ISLANDS: A COMPARATIVE STUDY OF TRINIDAD AND TOBAGO, ST.VINCENT AND THE GRENADINES.

You are invited to participate in this research. This study primarily discusses the political economy of the illegal narcotics trade among the small island states of the Southeastern Caribbean. It seeks to make the case that the growth of drug trafficking operations in the sub-region of the Southeastern Caribbean is the product of the comparative and competitive advantages the islands benefit from in the global economy relative to other states. You were selected as a possible participant because you have been identified as a person who has a strong knowledge of and/or currently works in the field combating drug trafficking, production and crime in the Southeastern Caribbean region.

I ask that you read this form and ask any questions you may have before agreeing to be in the study.

This study is being conducted by: Ayanna Armstrong, Doctoral Candidate at Clark Atlanta University.

Background Information:

Central Research Question

Are factors of comparative and competitive advantage the primary drivers of the development of the narcotics trade in the Southeast Caribbean islands?

Sub-questions

1. To what extent is drug trafficking a major problem for the region?
2. What are the comparative and competitive determinants of drug trafficking in the Southeastern Caribbean islands?

3. Does supply and demand only become important due to comparative factor endowments?
4. What are the implications of this research for the Greater Caribbean region?

This study primarily discusses the political economy of the illegal narcotics trade among the small island states of the Southeastern Caribbean. It seeks to make the case that the growth of drug trafficking operations in the sub-region of the Southeastern Caribbean is the product of the comparative and competitive advantages the islands benefit from in the global economy relative to other states. Specifically, these advantages are in the production and transportation of illicit narcotics. The fact that the island states have no significant advantages in legitimate international trade is also highlighted. Their natural endowments and degree of national development do not permit them to effectively compete with larger states participating in the same or similar legitimate markets. Trade difficulties in cash crop agriculture, limited industrial production, government corruption, and bureaucratic inefficiency; have produced fragile underdeveloped economies unable to generate adequate state revenue and employment. As a result the banana, cocoa, spices, sugar, bauxite, and energy trades have not been efficient industries by which to develop the state. The desire to seek alternative sources of livelihood and revenue was an inevitable outcome.

The small island states of the Southeastern Caribbean also benefit from the natural advantages of high domestic demand for narcotics in North America and Europe. Their close geographic proximity to narcotics production centers in South and Central America, significant geographic distance from the interdiction reach of the US and Europe, limited local and regional interdiction regimes, large amounts of arable land, and the broad availability of regional money laundering services intended for tax aversion have created the ideal conditions for illicit trade. The inability of the state to make sufficient revenue legally makes each of these factors attractive and advantageous as a means of generating new revenue. The weakness and vulnerability of the economies of the sub-region drive those states to illicit trade practices where they have an advantage and are able to informally make up the revenue and employment shortfalls of legitimate trade. Illicit drugs fill the localized economic gaps in finance, capital, employment, and land that trade in bananas, cocoa, bauxite, oil, and natural gas are unable to address. The narcotics trade allows the state to informally gain an additional revenue stream at a comparatively lower financial cost than legalized trade. As long as the advantages in illicit trade remain constant while no significant advantages in legalized trade emerge, the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment.

Comparative and Competitive advantages:

- Democratic Westminster Parliamentary System
- Weak National Security capabilities
- Money Laundering/Tax Havens
- Arable Land
- Globalization and its consequences
- Proximity and Strategic position between South, America, Europe and the United States.

Procedures: If you agree to be in this study, we would ask you to do the following things. Read Through the information on this consent form and answer a number of question, these sessions will be recorded. These materials will be provided at least 1 week before scheduled interview. You will be asked to address the question to the best of your knowledge. The interview itself is not expected to exceed more than 1 hour and will take place only once during a time that best suits your schedule.

Research Techniques: Data Analysis Steps & Procedures

Mixed Method Research Approach

Historical Research – Research on the development of drug trafficking and its effects on the Southeastern Caribbean region utilizing books, journals, articles etc.

Comparative Study – A quantitative and qualitative analysis of the comparative and competitive advantages in drug trafficking operations undertaken, Trinidad and Tobago, St. Vincent and the Grenadines and the Commonwealth of Dominica will be performed. Adopting an institution-oriented approach to political economy, the principal unit of analysis will be the state, while the principal actors will be the drug trafficking operators and money launders in the Southeastern Caribbean. The central argument of this paper is as long as the advantages in illicit trade remain constant, while no significant advantages in legalized trade emerge, the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment. Empirical and normative measurements of the aforementioned Comparative and Competitive advantages within the three identified states. Primary Data will be collected through Interviews with policy makers and officials in Trinidad and Tobago, St. Vincent and the Grenadines and the Commonwealth of Dominica. The interviews will utilize a series of open-ended questions that seek to gather information.

Please see attached document for questions.

Risks and Benefits of Being in the Study: The risk to the interview subjects will be minimal as all of the information will be stored in a secure location. Even though the subject of drug trafficking be viewed as a very sensitive subject, all of the interview subjects already work at combating the challenges associated with drug trafficking and production, and the questions are related to the nature of drug trafficking in the region and not to any sensitive material like the names of major drug traffickers. In the event that this research activity results in an injury, treatment will be available, including first aid, emergency treatment and follow-up care as needed.

The benefits to participation are: Drug trafficking has become a major challenge to Caribbean development. The examination of drugs and its development in the Caribbean region is analyzed through a Caribbeanist political economy perspective. The research for this dissertation offers insight on not only the proliferation, but also the political and economic origins of drug trafficking and will be important for the battle against the drug trafficking in the region. An analysis of comparative and competitive advantages has been explored by very few academics in the Andes and has not been researched in a fundamental way, more so in the Caribbean. This paper will be of interest to students and scholars of the Caribbean, especially those in the fields of political economy, international relations and comparative politics. This research will offer to policy makers and officials and the interview subjects and the organizations they work for a better understanding the effects, its development and possibly new and innovative ways to combat drug trafficking and production in the region.

Confidentiality: The records of this study will be kept private. In any sort of report we might publish, we will not include any information that will make it possible to identify a participant. Research records will be kept in a locked file; only the researchers will have access to the records. Tape recordings will be made of each interview session and these recordings will be retained in the security of Ms. Armstrong's office at Clark Atlanta University, and will not be destroyed for at least 5 years. Complete anonymity will be given to all participants and no specific personal information will be published or used in for this research. The information gathered from this interview will only be used for Ms. Armstrong's research.

Voluntary Nature of the Study: Your decision whether or not to participate will not affect your current or future relations with the researcher Ayanna Armstrong, or Clark Atlanta University

Contacts and Questions: The researcher conducting this study are is Ayanna Armstrong
Doctoral Candidate in Political Science at Clark Atlanta University.

Ayanna Armstrong

Clark Atlanta University

316 Knowles Hall

223 James P. Brawley Drive, SW

Atlanta, GA 30314

You may ask any questions you have now. If you have questions later about the research,
you may contact the researcher(s) at: Phone: (404) 880-8718 E-mail:
ayanna_armstrong@yahoo.com

If you have any questions now, or later, related to the integrity of the research, you are
encouraged to contact Dr. Georgianna Bolden at the Office of Sponsored Programs (404)
880-6979) , Dr. Paul I. Musey, (404) 880-6829 at Clark Atlanta University, Dr. Fragano
Ledgister (404) 880-8734 at the Political Science Department.

You will be given a copy of this form to keep for your records.

Statement of Consent: I have read the above information. I have asked questions
and have received answers. I consent to participate in the study.

Signature _____ Date: _____

Signature of Investigator _____ Date: _____

Appendix 4

Respondent Handout and Questions

COMPARATIVE AND COMPETITIVE ADVANTAGES OF DRUG TRAFFICKING IN THE SOUTHEASTERN CARIBBEAN ISLANDS: A COMPARATIVE STUDY OF TRINIDAD AND TOBAGO, ST.VINCENT AND THE GRENADINES

Central Research Question

Are factors of comparative and competitive advantage the primary drivers of the development of the narcotics trade in the Southeast Caribbean islands?

Armstrong: The Problem

The fact that the island states have no significant advantages in legitimate international trade is highlighted. Their natural endowments and degree of national development do not permit them to effectively compete with larger states participating in the same or similar legitimate markets. Trade difficulties in cash crop agriculture, limited industrial production, government corruption, and bureaucratic inefficiency; have produced fragile underdeveloped economies unable to generate adequate state revenue and employment. As a result the banana, cocoa, spices, sugar, bauxite, and energy trades have not been efficient industries by which to develop the state. The desire to seek alternative sources of livelihood and revenue was an inevitable outcome.

However, the island states of the Southeastern Caribbean benefit from the natural advantages of high domestic demand for narcotics in North America and Europe. Their close geographic proximity to narcotics production centers in South and Central America, significant geographic distance from the interdiction reach of the US and Europe, limited local and regional interdiction regimes, large amounts of arable land, and the broad availability of regional money laundering services intended for tax aversion have created the ideal conditions for illicit trade and production. The inability of the state to make sufficient revenue legally makes each of these factors attractive and advantageous as a means of generating new revenue. The weakness and vulnerability of the economies of

the sub-region drive those states to illicit trade practices where they have an existing advantage and the ability to informally bolster the revenue and employment shortfalls of legitimate trade (political theory of liberalism says the state will do anything and everything to it needs to provide and take care of its citizens). Illicit drugs fill the localized economic gaps in finance, capital, employment, that trade in bananas, cocoa, bauxite, oil, and natural gas is unable to address. The narcotics trade allows the state to informally gain an additional revenue stream at a comparatively lower financial cost than legalized trade. As long as the advantages in illicit trade remain constant while no significant advantages in legalized trade emerge, the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment.

This study seeks to make the case that drug trafficking operations in the region have been the direct outcome of the comparative advantage of the Caribbean states, and that supply and demand becomes important due to these factor endowments. Within the global economy, small island states do not have a competitive or comparative advantage based on their natural endowments. Cash crop agriculture (Bananas-SVG) or energy extraction (oil-TT) has not been efficient in providing adequate revenue for the needs of the state. The illicit drug trade provides a feasible alternative to make up for the revenue in the formal and informal economy. This study will also evaluate the extent to which drug trafficking is a problem for the region and what are the political and economic factors that offer these states their comparative and competitive advantages, thus creating the proliferation of drug trafficking operations in the region.

The central argument of this paper is as long as the advantages in illicit trade remain constant, while no significant advantages in legalized trade emerge, the illicit trade of drugs will likely continue to grow in this sub-region as a means of generating revenue and employment. Major theoretical arguments see supply and demand of drug trafficking/production as the major reason for the levels of regional involvement in drug trafficking operations. These interviews seek to answer questions relating to and establishing a comprehensive and practically applied understanding of the proliferation of drug trafficking operations in the Southeastern Caribbean region as it relates to the comparative and competitive advantages that these island states have in drug trafficking and drug production. Please see attached Questions:

1. To what extent are drug trade operations a major problem for the region?
2. To what extent are drug trade operations a major problem for your state?
3. What are the major types of drug trafficking organizations active in this country?

4. Is it drug trafficking or drug production that is more active in this country? and what are the major activities associated with drug trade operations?
5. What are the major effects of the illegal drug trade to the region/your nation's economic, social and political development (these can be threats or benefits)?
6. What are the country's capabilities to combat drug trade operations?
7. What are the regions capabilities to combat drug trade operations and are these capabilities sufficient enough by your estimation?
8. What are the major comparative and competitive advantages in drug trade operations?
9. How important are these comparative and competitive advantages to drug trade operations in the state?
10. What factors would you identify as being the major contributing instruments of illicit drug trade operations in this country?
11. What is the importance of supply and demand to the proliferation of drug trade operations in the region?
12. Do you predict that there will be an increase or decrease in drug trade operations in your country? Why?
13. Do you predict that there will be an increase or decrease in drug trade operations in the region? Why?
14. Do you think that Southeastern Caribbean states with similar comparative advantages in drug trade operations have the same levels and challenges associated with drug trafficking and production?
15. Is there any particular issue that you feel the academic, security or political establishments on drug trade operations in the region have overlooked?

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